

# A Journey Towards a Sustainable Future

Samsung Electronics Sustainability Report

**2026**

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# A Journey Towards a Sustainable Future

Samsung Electronics Sustainability Report 2026

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# Our Company

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# Message from Our CEO

Dear Shareholders, Customers, Partners, and Employees,

2025 was a year significantly impacted by geopolitical risks. The global trade environment has been rapidly reshaped around the strengthening of national industrial competitiveness and securement of supply chain stability, initiating production base relocations and value chain adjustments. Global geopolitical risks are increasing uncertainty across markets, supply chains, and overall energy supply and demand, exacerbating concerns within the industrial sector.

Meanwhile, rapid advancement in AI technology has led to a shift in market paradigms, resulting in an explosive increase in demand for semiconductors, including for High Bandwidth Memory (HBM). This is creating a more favorable environment than ever before for the semiconductor industry.

Amidst a business environment with both crisis and opportunity, Samsung Electronics recorded an all-time high sales of 333.6 trillion won, amounting to an 11% increase year-on-year (YoY), and an operating profit of 43.6 trillion won, the equivalent of a 33% increase. This growth trend continued into the first quarter of 2026 with an operating profit of 57.2 trillion won. Also with a significant rise in our stock price, the company became the first Korean company to surpass 1,700 trillion won in market capitalization. Based on Interbrand valuations, Samsung Electronics' brand value is projected to reach \$90.5 billion by 2025, ranked 5<sup>th</sup> globally for the 6<sup>th</sup> consecutive year.

We express our deep gratitude to all stakeholders for your continued support and encouragement.

Samsung Electronics recognizes our corporate social responsibility even in a rapidly changing business environment and is actively carrying out various sustainability activities to build a foundation for sustainable growth.

We would like to start by addressing the environmental sector. Based on the 'New Environmental Strategy' announced in September 2022, Samsung Electronics is striving to achieve net zero scope 1 and 2 carbon emissions, maximize resource circularity, and solve environmental

challenges through technological innovation. The DX (Device eXperience) Division transitioned 94.8% of its total energy to renewable sources as of the end of 2025, aiming to achieve net zero scope 1 and 2 carbon emissions by 2030. Furthermore, by applying high-efficiency energy technologies to its major product models, it reduced power consumption by an average of 34.4% compared to 2019. As of 2025, the application rate of recycled plastic in plastic components across all products was increased to 33.7%, and following the DS Division, all global manufacturing sites within the DX Division also achieved the highest rating in the Zero Waste to Landfill validation. In addition, it achieved the interim goal of the water resources sector under the New Environment Strategy to reduce global water consumption by 67.2%.

The DS (Device Solutions) Division has introduced 3 additional Regenerative Catalytic Systems (RCS) in 2025, bringing the total to 55 in operation. Furthermore, it reduced indirect greenhouse gas emissions through improved equipment energy efficiency and the phased expansion of renewable energy use. As data center demand increases due to the expansion of AI, there is a growing demand for carbon-free energy transition for its clients pursuing carbon reduction. Accordingly, it is continuously exploring various carbon reduction measures in cooperation with its clients. Furthermore, by securing low-power technologies to achieve the memory power consumption reduction target established through the New Environmental Strategy, it is supplying HBM4, PM1763, and other products with significantly improved power efficiency compared to previous generations in a timely manner. In particular, it plans to provide optimal AI infrastructure solutions to customers by improving the energy efficiency of HBM and server SSDs by 2.5 times and 4 times, respectively, by 2030. In addition, it has replenished approximately 240,000 tonnes of water resources by introducing the Water Positive concept, which involves not only conserving and reusing water within its own facilities but also returning an amount of water beyond what it has used back to nature.

In the social sector, to ensure a safe and healthy working environment for all members, we have set the number of serious accidents and

the Lost Time Injury Rate (LTIR) as key KPIs for April 2025, and we are striving to achieve 0 serious accidents and the highest global level of LTIR by 2030. In the supply chain sector, we have expanded the scope of third-party inspections to include 39 second-tier suppliers in addition to 122 first-tier suppliers, and launched a Supply Chain Sustainability Committee at the end of 2025 to discuss sustainability management issues across the entire supply chain, including labor rights, the environment, and occupational safety and health.

In 2025, we supported the 'Samsung Youth SW-AI Academy,' our flagship social contribution activity, with 30.6 billion won to foster 2,000 software talented youth. Additionally, the 'Samsung Stepping Stone of Hope' initiative, which supports housing stability and future preparation for young people seeking independence, opened a new center in Incheon in 2025, bringing the total number of centers to 16 and supported individuals to 15,092. Furthermore, to strengthen product quality and safety, we established a Quality Innovation Committee (the highest quality related decision-making body) chaired by the CEO to intensively inspect quality risks in new products and proactively prevent customer safety risks.

Dear stakeholders,

Amidst continuing geopolitical uncertainty in 2026, the expansion of the AI ecosystem is expected to accelerate industries-wide productivity innovation and growth opportunities for new sectors. Samsung Electronics is committed to preparing ourselves in advance of these changes in accordance with such external environment in order to respond proactively. We will always listen to the valuable feedback of our stakeholders and do our utmost to achieve a sustainable growth. Thank you.

CEO and Vice Chairman of  
Samsung Electronics Co.  
Young-Hyun Jun

CEO and President of  
Samsung Electronics Co.  
Tae Moon Roh

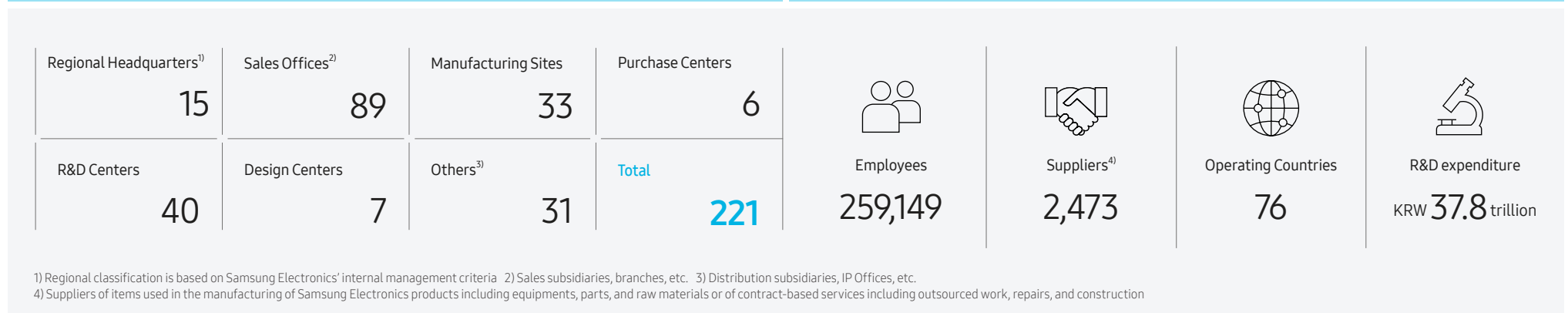


# About Us

Samsung Electronics Co., Ltd. (hereinafter Samsung Electronics) aims to become a premier global company that contributes to society by creating the world's best products and services based on talent and technology. To achieve this, Samsung Electronics has concretized our 5 [Business Principles](#) into detailed guidelines and action items, establishing them as our [Code of Conduct](#) for all business activities. Moving forward, Samsung Electronics will continue to internalize our 5 [Key Values](#) so that our organizational culture may grow sustainably.

## About Our Organization

Samsung Electronics is divided into two Divisions, Device eXperience (DX) and Device Solutions (DS), according to product characteristics, each of which is operated independently. The DX Division produces and sells finished products such as smartphones, network systems, computers, TVs, refrigerators, washing machines, air conditioners, and medical equipment, while the DS Division consists of the Memory Business, Foundry Business, and System LSI Business which produces and sells semiconductor components such as DRAM, NAND Flash, and mobile APs. As of the end of 2025, Samsung Electronics owns 221 manufacturing sites, sales offices, R&D centers, and design centers worldwide.



# Corporate Governance

## Board of Directors

Samsung Electronics' Board of Directors is composed of directors elected at the shareholders' meeting and resolves important matters related to the company's business. We implemented a balanced governance system where the Heads of the DX and DS Divisions, as well as the Heads of major Businesses, serve as internal directors on the Board to practice responsible management, while independent directors, experts in their respective fields, provide an objective perspective and oversight of the management team. As of the end of March 2026, the Board includes 3 internal directors (Young-Hyun Jun, Tae Moon Roh, Yong-Kwan Kim) and 5 independent directors (Je-Yoon Shin, Jun-Sung Kim, Eunnyeong Heo, Hye-Kyung Cho, Hyuk-Jae Lee). To enhance independence and transparency, the Board has separated the roles of Board Chair and CEO, appointing independent director Je-Yoon Shin as the Chair.

[Board of Directors Composition](#)

Samsung Electronics considers a diverse set of expertise, gender, and nationality when appointing directors. Independent directors in particular consist of individuals with extensive knowledge or experience in professional fields such as finance, law, IT (robotics, AI, semiconductors), risk management, public sector, and sustainable management. To this end, we prepare and utilize the [BSM \(Board Skills Matrix\)](#). We have also appointed a female independent director in consideration of how the Board's gender diversity may positively impact our activities, such as providing balance in our decision-making.

### Efforts to Strengthen Board Operations Post-Commercial Act Amendment

In accordance with the three-part amendment of the Commercial Act starting in 2025, Samsung Electronics conducted training and discussion sessions outlining the amendments, their significance and effects, and necessary measures. Accordingly, at the 57th Annual General Meeting of Shareholders held last March, we streamlined related systems, including the amendment of Articles of Incorporation and the appointment of additional audit committee members appointed separately, and also obtained shareholder approval for the "Approval of Plan for Disposal of Treasury Shares." Furthermore, in accordance with the expansion of directors' fiduciary duties to shareholders, we strive to implement the intent of shareholder protection by having the Board of Directors autonomously establish special committees composed of outside directors with no conflict of interest to conduct independent and professional reviews on matters requiring the protection of the interests of all shareholders or the fair treatment of all shareholders' interests.

## Sustainability Governance

The Board of Directors, Samsung Electronics' highest decision-making body, oversees our sustainable management activities.

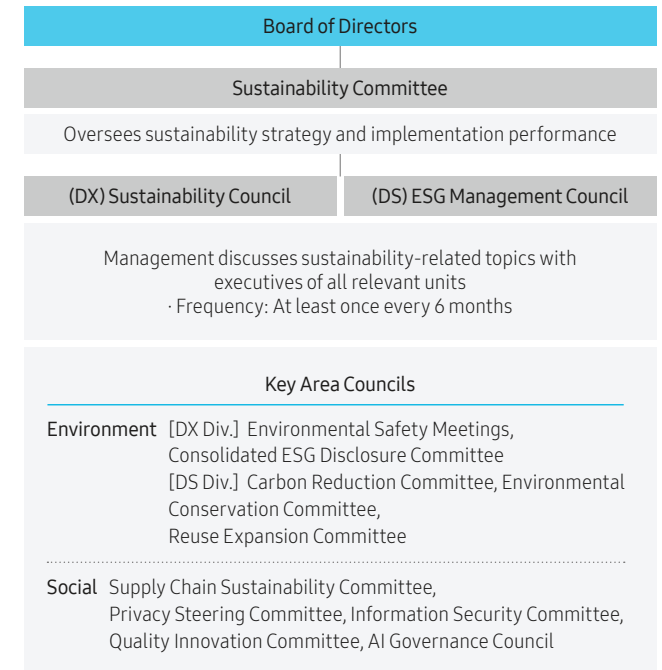
In July 2021, our Governance Committee expanded and reorganized into the Sustainability Committee under the Board of Directors to promote sustainable management in fields such as environment, society, and governance, and to enhance shareholder value. All independent directors participate in the Sustainability Committee, deliberating and approving various matters related to management policies and mid- to long-term strategies in the fields of environment, society, and governance, as well as managing risks related to issues such as sustainable management and shareholder return policies.

We also operate the DX Division's Sustainability Council and the DS Division's ESG Management Council, led by each Division Head. Management reviews sustainable management-related matters with respective responsible personnel. We report discussed items to

the Board of Directors and the Sustainability Committee as needed. We also operate a council where relevant departments discuss and coordinate major sustainability issues such as climate change and human rights.









Since 2021, sustainability indicators have been incorporated into our performance evaluation systems for executives. These indicators include greenhouse gas (GHG) emissions reduction, renewable energy transition, energy-efficient product development, regulatory compliance, and product accessibility, and are tailored to the responsibilities of each executive.

### Sustainable Management Governance Bodies



# Stakeholder Engagement

Samsung Electronics has defined 8 key stakeholder groups that significantly influence our business activities, taking into account the characteristics of the industry. We gather opinions from stakeholders through various channels tailored to stakeholder interests and reflect their input in our decision-making processes, such as establishing business strategies. We continuously monitor whether the key stakeholder opinions are incorporated into our business operations. Additionally, we transparently and promptly share our sustainability performance with stakeholders through our [Sustainability Website](#), stakeholder forums, surveys, and on-site visits. We will strengthen communication and improve transparency in management to build a trust-based relationship with stakeholders for our sustainable growth.

Stakeholders	Key Interests		Communication Channels		Major Activities	
 <b>Customers (B2C &amp; B2B)</b>	<ul style="list-style-type: none"> <li>Quality of products and services</li> <li>Safety in product use</li> <li>Environmental impact of products throughout their life cycle</li> </ul>	<ul style="list-style-type: none"> <li>Accurate product information</li> <li>Transparent communication</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction surveys</li> <li>Contact centers, service centers</li> <li>Samsung Electronics Newsroom</li> <li>Samsung.com</li> </ul>	<ul style="list-style-type: none"> <li>Samsung Semiconductor Website</li> <li>Sustainability Website</li> <li>Sales channels</li> <li>Product environmental report</li> </ul>	<ul style="list-style-type: none"> <li>Reinforce quality and safety management systems</li> <li>Offer product information via the country-specific websites</li> </ul>	<ul style="list-style-type: none"> <li>Resolve issues identified through Voice of the Customer (VOC)</li> <li>Staff sustainability specialists at subsidiary and business levels</li> </ul>
 <b>Shareholders and Investors</b>	<ul style="list-style-type: none"> <li>Information disclosure</li> <li>Risk management</li> <li>Economic performance</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability agenda (environmental, social, and governance)</li> </ul>	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Investor meetings</li> <li>Earnings releases</li> </ul>	<ul style="list-style-type: none"> <li>Investors Forum</li> <li>Investor ESG Roadshow</li> <li>IR Website</li> </ul>	<ul style="list-style-type: none"> <li>Announce business performance and outlook</li> <li>Update shareholder return policy</li> <li>File disclosures</li> </ul>	<ul style="list-style-type: none"> <li>Release information on corporate governance</li> <li>Share environmental/social performance</li> <li>Collect shareholder and investor opinions</li> </ul>
 <b>Employees</b>	<ul style="list-style-type: none"> <li>Safe and healthy work environment</li> <li>Inclusive culture</li> <li>Training and career development</li> </ul>	<ul style="list-style-type: none"> <li>Employment and benefits</li> <li>Labor relations</li> <li>Organizational culture</li> </ul>	<ul style="list-style-type: none"> <li>Labor unions, work councils chats</li> <li>Counseling centers</li> <li>Satisfaction surveys (work concentration, organizational health, employee experience)</li> <li>Sustainability Website</li> </ul>	<ul style="list-style-type: none"> <li>Executive management communications</li> <li>Samsung NOW</li> <li>In-house communication channels</li> <li>Compliance/ethics whistleblowing channels</li> <li>Industrial Safety and Health Committee</li> </ul>	<ul style="list-style-type: none"> <li>Offer tailored career development programs</li> <li>Host town hall events</li> <li>Perform collective bargaining activities</li> <li>Operate labor-management relations advisory group</li> </ul>	<ul style="list-style-type: none"> <li>Manage business sites' work environment</li> <li>Foster a culture of trust communication</li> <li>Provide training programs</li> <li>Operate health improvement programs (diet programs, etc)</li> </ul>
 <b>Suppliers</b>	<ul style="list-style-type: none"> <li>Partner collaboration</li> <li>Workplace EHS improvement</li> <li>Fair trade</li> </ul>	<ul style="list-style-type: none"> <li>Worker human rights protection</li> <li>GHG emissions reduction</li> </ul>	<ul style="list-style-type: none"> <li>Purchasing management system</li> <li>Partner Collaboration Portal</li> <li>Hotline, Cyber Sinnungo</li> </ul>	<ul style="list-style-type: none"> <li>Partner Collaboration Academy</li> <li>Partner Collaboration Day/Meetings</li> <li>Sustainability Website</li> </ul>	<ul style="list-style-type: none"> <li>Financial/technical support</li> <li>Employee training/innovation support</li> <li>Manage GHG emission reduction</li> </ul>	<ul style="list-style-type: none"> <li>Support supplier work environment</li> <li>Collect and resolve grievances</li> </ul>
 <b>Local Communities</b>	<ul style="list-style-type: none"> <li>Local hiring, local economy revitalization</li> <li>Indirect economic effects, including investment/employment</li> </ul>	<ul style="list-style-type: none"> <li>Conservation of local environment development</li> <li>Philanthropic activities</li> </ul>	<ul style="list-style-type: none"> <li>Local Social Contribution Group</li> <li>Sustainability Website</li> </ul>	<ul style="list-style-type: none"> <li>CSR Website</li> </ul>	<ul style="list-style-type: none"> <li>Support SMEs, including Smart Factory construction</li> <li>Conserve river ecosystems near our business sites</li> </ul>	<ul style="list-style-type: none"> <li>Run community outreach programs on education (Samsung Stepping Stone of Hope, Samsung SW-AI Academy for Youth, etc.)</li> </ul>
 <b>International Organizations, NGOs, Associations, Specialized Organizations</b>	<ul style="list-style-type: none"> <li>Social responsibilities for human rights and the environment</li> <li>Cross-industry collaboration</li> </ul>	<ul style="list-style-type: none"> <li>UN SDGs contributions (climate action, etc.)</li> <li>Transparent and timely information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Corporate meetings</li> <li>NGO meetings</li> <li>Stakeholder Forum</li> <li>Civil society – executive management meetings</li> </ul>	<ul style="list-style-type: none"> <li>Labor-human rights stakeholder workshops</li> <li>Sustainability Website</li> <li>Industrial Associations</li> </ul>	<ul style="list-style-type: none"> <li>Collect global NGO opinions, engage with RBA<sup>1)</sup>, RMI<sup>2)</sup>, EPRM<sup>3)</sup>, UNGC<sup>4)</sup>, ACEC<sup>5)</sup>, WBCSD<sup>6)</sup> among others</li> </ul>	<ul style="list-style-type: none"> <li>1) Responsible Business Alliance</li> <li>2) Responsible Minerals Initiative</li> <li>3) European Partnership for Responsible Minerals</li> <li>4) United Nations Global Compact</li> <li>5) Asia Clean Energy Coalition</li> <li>6) World Business Council for Sustainable Development</li> </ul>
 <b>Government</b>	<ul style="list-style-type: none"> <li>Indirect economic effects, including investment/employment</li> <li>Fair trade</li> </ul>	<ul style="list-style-type: none"> <li>Occupational health &amp; safety</li> <li>Compliance</li> <li>Business ethics</li> </ul>	<ul style="list-style-type: none"> <li>Policy dialogue</li> <li>Parliament</li> <li>Policy public hearings</li> </ul>	<ul style="list-style-type: none"> <li>Policy advisory boards</li> <li>Sustainability Website</li> </ul>	<ul style="list-style-type: none"> <li>Support SMEs in collaboration with the government</li> </ul>	<ul style="list-style-type: none"> <li>Operate joint venture investment windows with the government</li> </ul>
 <b>Media</b>	<ul style="list-style-type: none"> <li>Key product/business performance and strategy</li> <li>Future growth strategies (investments, R&amp;D, M&amp;A, new businesses)</li> </ul>	<ul style="list-style-type: none"> <li>Achievements in promoting sustainable management, including net zero</li> <li>HR, labor relations, health safety, patents, product &amp; service quality, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Press releases</li> <li>Sustainability Website</li> <li>Samsung Semiconductor Newsroom</li> </ul>	<ul style="list-style-type: none"> <li>Samsung Electronics Newsroom</li> <li>Media briefings</li> </ul>	<ul style="list-style-type: none"> <li>Support media reporting on global IT exhibitions and new product launches</li> <li>PR activities</li> </ul>	<ul style="list-style-type: none"> <li>Arrange interviews &amp; press conferences</li> <li>Participate in media days</li> </ul>

# Sustainability Performance

## Planet

### Renewable Energy Transition Rate

Company-wide

32.5%



DX Division

94.8%



DS Division

26.2%



### Recycled Plastic Rate for Plastic Parts in Products (DX Division)

33.7%



\* Weight based ratio of parts with recycled plastic from total plastic parts developed by the DX Division. Pure recycled plastic ratios differ by part

### Percentage of waste recovered for recycling (DS Division)

99.3%



\* Korean manufacturing sites (Giheung, Hwaseong, Pyeongtaek, Cheonan, and Onyang sites)

### Zero Waste to Landfill Validation

All global manufacturing sites  
"Platinum"  
certification obtained

### Water Replenishment Rate (DX Division)

67.2%

### Water Restoration (DS Division)

240 Thousand Tonnes

## People

### 2025 Global Supply Chain Human Resources Management Evaluation (KnowTheChain)

1<sup>st</sup> (ICT Category)



### Third Party Assurance Cases

Manufacturing Site

15

First-tier suppliers

122

Second-tier suppliers

39

### Supplier Training Participants

59,498 individuals



### Suppliers with Comprehensive Evaluations of "Excellent"

75.0%



### Beneficiary Count, Major Social Contribution Programs (Cumulative)

5.41 million individuals

\* Based on 6 programs including Samsung SW-AI Academy, Samsung Stepping Stone of Hope, Samsung Solve for Tomorrow, Samsung Innovation Campus, Blue Elephant, Samsung Dream Class

### Company Count, Smart Factory Support (Cumulative)

3,625

\* Cumulative from 2015 to 2025

### In-house Venture and Startup Incubation (Cumulative)

1,000

\* 434 in-house, 566 external companies (Cumulative between 2012 and February 2026)

# Planet

We dream of a better world, a better planet.

<b>Introduction to Environmental Strategy</b>	10	<b>DX Division</b>		<b>DS Division</b>	
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# Introduction to Environmental Strategy

## Overview

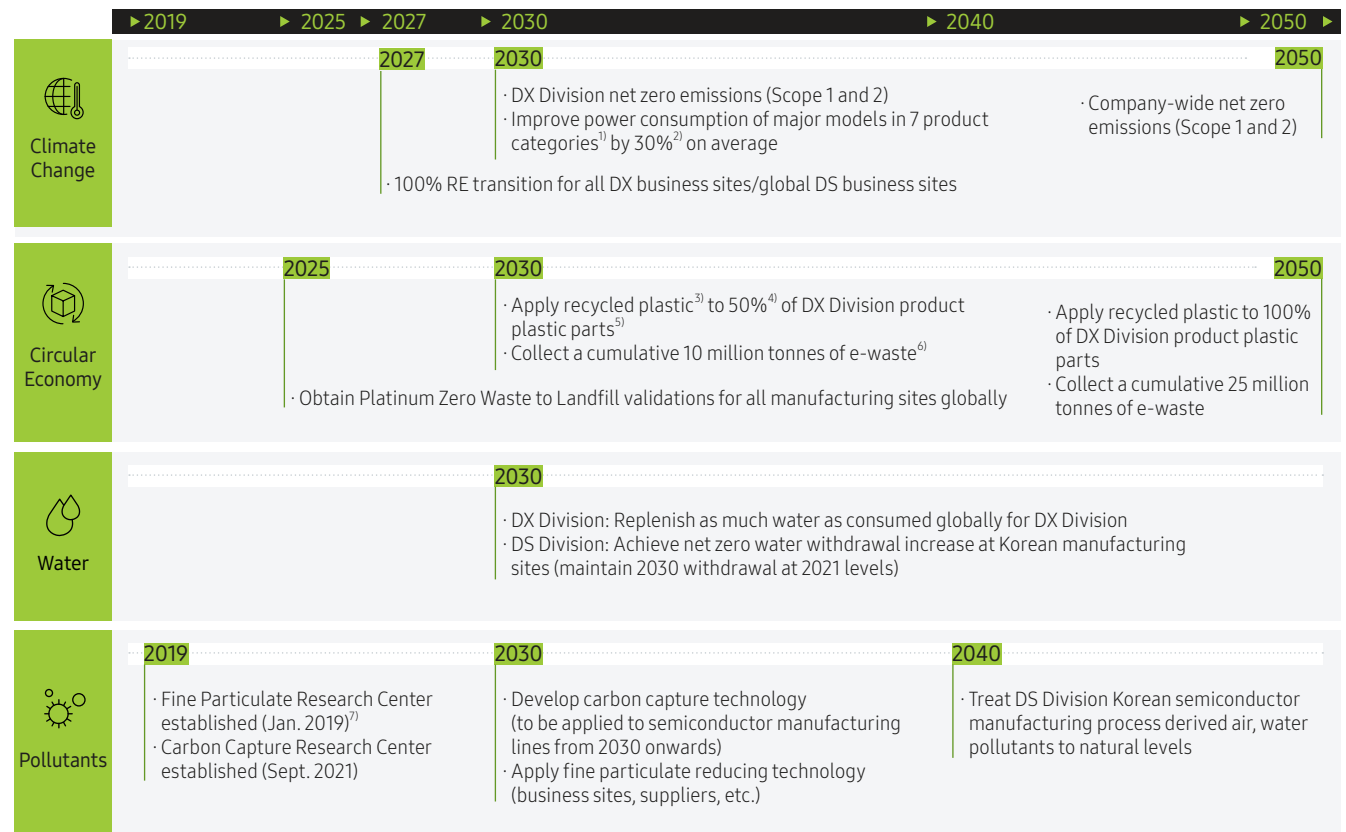
Samsung Electronics is pursuing net zero Scope 1 and 2 emissions, enhanced resource circularity, and solutions to environmental challenges through technological innovation, guided by the company-wide “[New Environmental Strategy](#)” announced in September 2022 in order to respond to global environmental shifts and stakeholder needs. To advance this strategy systematically, we are working reinforcing our environmental management framework for sustainable growth and minimizing environmental impacts across all business activities.

We operate through two business Divisions: the DX Division, which focuses on finished products, and the DS Division, which focuses on semiconductor manufacturing. Given that the pathways and significance of environmental impacts vary by Division, we conducted a materiality assessment to identify key environmental issues for each Division. Both Divisions identified climate change, resource circularity, and water resources as material environmental issues, while the DS Division also identified pollutants as a material issue, reflecting the specific characteristics of its operations.

Both Divisions acknowledge the importance of these material environmental issues to their business operations and have established and managed response strategies and implementation tasks for each issue. In addition, pollution (in the DX Division's case) and biodiversity, although not identified as material issues, are also managed and disclosed in consideration of their broader significance.

## New Environmental Strategy Mid- to Long-Term Roadmap

Samsung Electronics has established a mid- to long-term roadmap for our New Environmental Strategy to systematically manage material environmental issues encompassing climate change, resource circularity, water resources, and pollutants. We are implementing action tasks step by step in line with the detailed targets set for each issue. We are effectively reducing our environmental impacts across our business Divisions and strengthening our company-wide environmental management capabilities through this approach.



1) Major models (2025): Refrigerator (RT34DG5A4DSLHL), air conditioner (AC052FCADKF/TL), washing machine (WD90F25AHT), TV (KQ75QNF990FXKR), monitor (LS49DG952SKXKR), PC (NP960XJG), smartphone (SM-S938) 2) Compared to 2019 identical performance & specifications 3) Pure recycled plastic ratios differ by part 4) Weight based ratio of parts with recycled plastic 5) DX Division developed plastic parts 6) Since 2009 7) Fine Particulate Research Center and Carbon Capture Research Center combined into the Air Science Research Center in 2023

# Governance and Major Progress

## Governance

The Board of Directors of Samsung Electronics is our highest decision making body, and the Sustainability Committee under the Board approves and oversees environmental strategies, goals, and major activities related to climate change and resource circularity. In 2022, the Sustainability Committee resolved the "New Environmental Strategy", which encompasses long-term targets on subjects such as climate change response and resource circularity. The Committee annually reviews major achievements as part of its agenda since 2023.

The DX Division Head is responsible for key issues including establishing environmental management strategies, identifying implementation tasks, and executing investments. The Division Head operates the Sustainability Council with participation from Heads of Businesses and relevant Departments. The Council convened twice in 2025 in February and September, discussing business sustainability issues.

The Corporate Sustainability Center, the Global EHS Office, regional environmental dedicated organizations, and business sustainability offices oversee the execution of environmental management plans. Inter-departmental committees are operated to facilitate smooth discussions, while the Environmental Safety Meetings manage and supervises greenhouse gas (GHG) emissions. Additionally, a Consolidated ESG Disclosure Committee responds to regulation of disclosure for topics such as climate change, resource circularity, and water resources, establishing a consistent data calculation standard between Korean and global subsidiaries and improving on our data management system.

The DX Division also reflects items such as greenhouse gas reduction performance, renewable energy transition, high-efficiency product development, end-of-life product recycling, and water resources replenishment in the evaluation of organizations and executives.

Environmental Management Governance




Environmental Management System Environmental Risk Management

## Major Progress



## Strategy

The DX Division aims to achieve net zero Scope 1 and 2 emissions by 2030, focusing on reducing direct GHG emissions and expanding the use of renewable energy. Additionally, we identify and implement various tasks to reduce carbon emissions across the value chain, including logistics, sales, and usage of products.

-  **Direct GHG Emission Reduction**
  - Energy reduction activities including energy efficiency equipment installation and manufacturing process optimization
  - GHG reduction project implementation for remaining emission reduction
-  **Indirect GHG Emission Reduction**
  - Utilize diverse RE procurement options to economically and sustainably secure RE
  - Participate in global initiatives
-  **Value Chain Carbon Reduction**
  - Reduce value chain carbon emissions from a product life cycle perspective including materials, production, transportation, usage, disposal, and recycling

## Risk Management

The DX Division manages risks related to business operations, product planning, and external trends based on environmental management systems such as ISO 14001 and ISO 50001. The Global EHS Office monitors GHG emissions, energy usage, and climate impacts, and also regularly reviews issues on global sites, climate-related risks, and opportunities through joint environmental safety meetings with all relevant departments such as the Sustainability Council meetings, company-wide ESG Disclosure Committee meetings, and the Health and Safety Committee meetings. Climate-related national regulatory risks are integrated into and managed by the company's risk management process. With respect to significant climate-related risks, the Sustainability Committee reviews and approves responses from relevant departments.

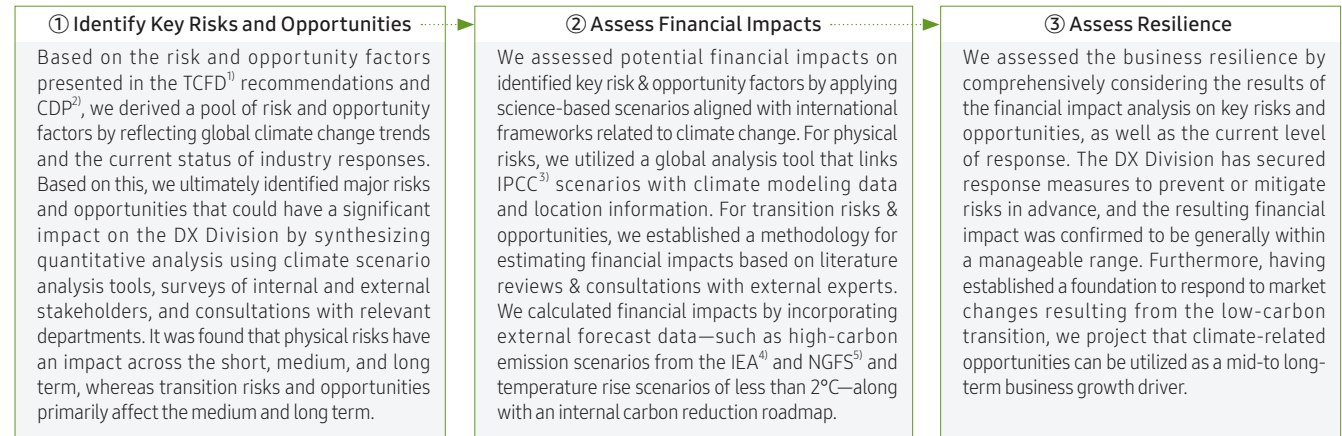
### Climate-Related Risk and Opportunity Analysis

The DX Division conducted a 2025 climate scenario analysis to systematically manage the risks and opportunities arising from

climate change. We identified key risks and opportunities caused by climate change and analyzed the potential financial impact of these risks and opportunities on the business, based on scenarios assuming various levels of global temperature rise. As a result, we diagnosed the impact of climate change from multiple angles and reviewed the effectiveness of existing response frameworks. The DX Division will continue to enhance our response strategies to minimize risks and translate opportunities into tangible business results, thereby strengthening long-term business competitiveness.

[Climate Change Risks and Opportunities Assessment](#)

### Climate-Related Risk and Opportunity Analysis Process



Key Risks and Opportunities		Financial Impact	Response Strategy
Physical risk	Flood	<ul style="list-style-type: none"> <li>· Asset value decrease and restoration/replacement cost incurrence due to damage to buildings, facilities, inventory, etc. caused by severe flooding</li> <li>· Revenue loss due to production stoppages, delays, and other supply disruptions</li> </ul>	<ul style="list-style-type: none"> <li>· Reflecting regional characteristics such as rainfall during the business site selection and design phases, and applying designs and disaster prevention facilities that consider flood impacts</li> <li>· Identifying risk areas through flood simulations, and strengthening response capabilities through the operation of emergency response systems and regular inspections and training</li> </ul>
Transition risk	Increase in Cost of Purchasing Carbon Credits	<ul style="list-style-type: none"> <li>· Rising carbon credit prices and increased paid allocation ratios due to stricter greenhouse gas regulations</li> <li>· Increased operating costs associated with purchasing carbon credits when exceeding emission allowances as a company subject to the Korean Greenhouse Gas Emissions Trading System</li> </ul>	<ul style="list-style-type: none"> <li>· Reduction of emissions through emission reduction activities, such as reducing electricity consumption and expanding renewable energy</li> <li>· Adjustment of purchase, sale, and holding ratios by monitoring changes in Emissions Trading System policies and carbon credit prices</li> </ul>
Opportunity	Increase in Demand for Low-Carbon Products and Services	<ul style="list-style-type: none"> <li>· Increased preference for low-carbon products and services due to heightened consumer awareness of climate change</li> <li>· Expanding demand for low-carbon products due to national carbon neutrality policies and regulations in various countries</li> </ul>	<ul style="list-style-type: none"> <li>· Expanding the application of circular materials such as recycled plastics and operating a waste product collection system</li> <li>· Providing power consumption reduction services through the development of energy efficiency improvement technologies and SmartThings AI Energy Mode</li> </ul>

1) Task Force on Climate-Related Financial Disclosures 2) Carbon Disclosure Project 3) Intergovernmental Panel on Climate Change 4) International Energy Agency 5) Network for Greening the Financial System

## Activities

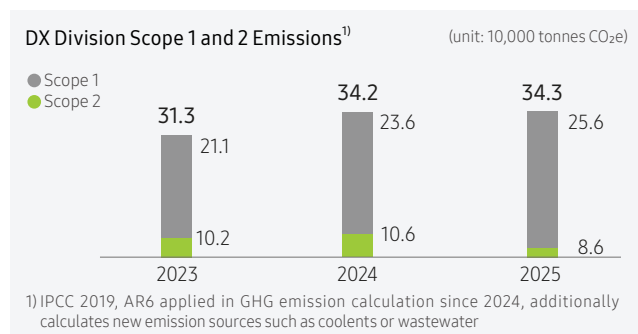
### Direct GHG Emission Reduction

The DX Division prioritizes activities to minimize GHG emissions from our facilities, such as improving energy efficiency, reducing energy consumption, and transitioning to renewable energy, with the goal of achieving net zero Scope 1 and 2 emissions by 2030. We establish annual energy reduction targets for our global manufacturing sites and carry out various reduction activities, such as installing high-efficiency boilers, applying energy-saving devices, and improving equipment efficiency. In addition, we are converting our Korean fleet vehicles to zero-emission vehicles (electric and hydrogen vehicles)<sup>1)</sup>. We are pursuing continuous reduction efforts with the goal of achieving net zero Scope 1 and 2 emissions by 2030, with direct emissions projected to reach 256 thousand tonnes CO<sub>2</sub>e by 2025.

We plan to offset residual GHG emissions—which are difficult to minimize through internal efforts alone—by implementing voluntary GHG reduction projects. We are prioritizing the identification and implementation of reduction projects centered on Nature-based Solutions which directly absorb GHGs from the atmosphere—such as agroforestry projects in India and mangrove projects in Indonesia, Madagascar, and Egypt. As of 2025, we have secured a cumulative total of 1.42 million tonnes CO<sub>2</sub>e of offset credits, and we plan to continue expanding our GHG reduction project portfolio. Beyond GHG reduction, we are also identifying projects that can contribute to the UN Sustainable Development Goals (SDGs)—such as biodiversity conservation, improvement of local residents' quality of life, and income generation—thereby contributing to global climate change response and sustainable development.

1) Cumulatively transitioned 72 vehicles by the end of 2025

Mid- to Long-Term Roadmap, Direct GHG Emission Reduction  
GHG Reduction Project Identification



### Indirect GHG Emission Reduction

The DX Division has set a goal to transition 100% of the power usage at all our business sites to renewable energy by 2027, achieving a transition rate of 94.8% in 2025. In 2025, Korean manufacturing sites began procuring renewable energy by signing new Power Purchase Agreements (PPAs), and global manufacturing sites in Vietnam, China, India, Turkey, and Egypt also expanded the supply of PPA-based renewable energy. We plan to continue expanding the procurement of highly additional renewable energy through PPAs and other means.

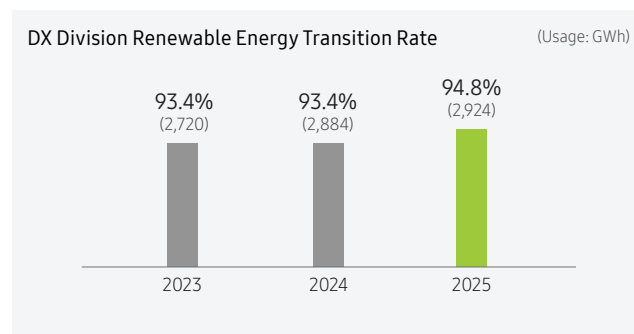
Renewable Energy Mid- to Long-Term Roadmap  
Business Site Electricity Use Reduction

### Renewable Energy Status by Key Regions

**Republic of Korea** We transitioned 100% of our power usage to renewable energy by utilizing Green Pricing programs, solar PPAs, and self-generated solar power facilities at select sites. The Gumi and Gwangju sites introduced solar PPAs utilizing idle space within the business sites in 2024, and the Gwangju business site is receiving renewable energy by signing a solar PPA linked with multiple power generators in 2025. We plan to continue expanding PPA-based renewable energy procurement by identifying and securing additional new PPAs going forward.

**Vietnam** We converted 100% of electricity used to renewable energy through the purchase of Renewable Energy Certificates (RECs) and PPAs. To gradually expand the share of PPAs, we launched a rooftop solar PPA at the Bac Ninh site in 2025 and began electricity supply. We also broke ground on a large-scale rooftop solar power facility at the Ho Chi Minh site, and plan to expand PPA agreements to all manufacturing sites in Vietnam going forward.

**China** We converted 100% of electricity used to renewable energy by purchasing RECs and securing solar and wind PPAs.



**India** We converted 100% of electricity used at manufacturing sites to renewable energy by signing solar and wind PPAs and purchasing RECs.

**Europe** We transitioned 100% of our electricity consumption to renewably sourced energy through participating in Green Pricing programs and purchasing RECs, and we plan to pursue PPA-based renewable energy procurement going forward.

**United States** We have transitioned 100% of our U.S. power usage to renewable energy by installing solar facilities at several sites and purchasing RECs.

**Latin America** We transitioned 100% of our electricity consumption at our Brazilian manufacturing sites to renewable energy based on wind PPAs. Subsequently, the manufacturing site in Mexico transitioned 100% of its electricity consumption to renewable energy by 2025 by signing solar and wind PPAs and purchasing RECs, thereby achieving a 100% transition to renewable energy across all manufacturing sites in Latin America.

**Others** We are transitioning a portion of our electricity usage source to renewable energy, primarily through solar PPAs utilizing idle sites within our business sites. We plan to achieve a 100% transition to renewable energy across all our business sites by 2027 by expanding our future procurement of RECs and PPAs.

Renewable Energy Status by Key Regions

### Launch of Solar PPA Project at Vietnam's Ho Chi Minh Site

In April 2025, the DX Division began construction on a 28MW solar PPA power generation facility at the Ho Chi Minh site in Vietnam. This is the largest solar PPA project among all Samsung Electronics business sites and the largest of its kind at a single business site in Vietnam. The facility is expected to generate an amount of electricity equivalent to the annual consumption of approximately 6,600 four-person households in Korea. Scheduled for completion in July 2026, the project is expected to serve as a stable supply of renewable energy.



## Value Chain Carbon Reduction

The DX Division supports carbon reduction activities across the value chain, including suppliers, consumers, and others, to minimize carbon emissions throughout the product lifecycle—from materials, production, transportation, usage, and disposal.

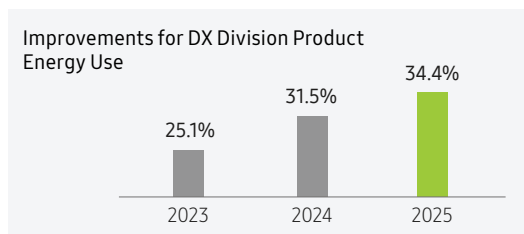
[Mid-to Long-term Roadmap, Value Chain Carbon Reduction](#)

### Upstream Reduction Activities

We promote GHG reduction activities among our top 90% suppliers by transaction amount. We monitor suppliers' GHG emissions, collect and manage information on reduction targets annually, and provide education and consulting on carbon reduction methods. Additionally, we encourage the use of renewable energy by awarding comprehensive evaluation points to suppliers with outstanding emission reduction performance. Since 2024, we have been operating various support programs, such as introducing self-consumption solar power generation projects, to suppliers considering the introduction of renewable energy.

### Downstream Reduction Activities

We are enhancing product energy efficiency through the application of low-power technologies to reduce indirect emissions associated with product use. Our target is to reduce the average power consumption of representative models across smartphones, TVs, refrigerators, washing machines, air conditioners, PCs, and monitors by 30% by 2030, compared to 2019 models with identical performance and specifications. In 2024, we surpassed this target ahead of schedule by achieving a 31.5% reduction in average power consumption across the seven product categories, and further increased the reduction to 34.4% on average in 2025.



[Product Use Phase Carbon Emission Reduction Cases - PC](#)

### Product Life Cycle Assessment (LCA)

Life Cycle Assessment (LCA) is used to quantitatively evaluate potential environmental impacts that may occur throughout the entire lifecycle of a product, from the processing of raw materials and components to manufacturing, transportation, usage, and disposal.

We conduct LCAs for leading models by product category<sup>1)</sup> and use the results to identify and improve key environmental impact factors. In 2024, we established an LCA system within our Sustainability Data Platform (SDP) to refine our life cycle assessment criteria and processes, and received verification from Lloyd's Register Quality Assurance (LRQA), an internationally accredited verification body, that our criteria and processes comply with relevant standards (ISO 14040/14044/14067). Starting with 13 major product categories in 2024, we are striving to manage the product environment by operating a life cycle assessment system for a total of 17 product categories in 2025.

[LCA Results](#)

1) Smartphones, TVs, monitors, tablets, laptop PCs, watches, major home appliances (refrigerators, washing machines, air conditioners, vacuum cleaners, ovens, dishwashers, etc.), and newly expanded categories (base stations, digital X-ray, ultrasound diagnostic devices, etc.) / JDM products excluded

### Collaborative Efforts on Climate Action

The DX Division strives to contribute to climate change response by engaging with various stakeholders through Korean and global initiatives such as RE100, ACEC, and the CF Alliance, as well as through external communication activities.

In South Korea, we are participating in policy recommendation efforts to support the expansion of renewable energy, including easing setback distance regulations for renewable energy facilities, reducing the cost burden of PPAs, and improving contract structures. In Vietnam, we are continuing policy improvement activities together with local stakeholders to ensure the stable operation and revitalization of the Direct Power Purchase Agreement (DPPA) system. Furthermore, in cooperation with ACEC, we are also taking part in efforts to gather opinions for improving renewable energy systems in major manufacturing countries such as Indonesia and Thailand.

We also monitor trends in international climate standards and participate in establishing and revising standards through the World Business Council for Sustainable Development (WBCSD).

[Collaboration on Renewable Energy Expansion and Climate Action](#)

#### Initiative

RE100 - Advisory Committee, Country Working Group  
 ACEC<sup>1)</sup> - Founding Member, Steering Committee, Country Working Group  
 CFA<sup>2)</sup> - Member of the Board of Directors and Working Groups  
 CoRE<sup>3)</sup>, DUCD<sup>4)</sup>, WBCSD<sup>5)</sup>

- 1) Asia Clean Energy Coalition
- 2) Carbon Free Alliance
- 3) Corporate Renewable Energy Initiative
- 4) Decarbonizing the Use-phase of Connected Devices
- 5) World Business Council for Sustainable Development

#### Policy Engagement

- Participated in RE100 corporate roundtables (Ministry of Climate, Energy and Environment; Korea Energy Agency, etc.)
- Proposed policies to revitalize renewable energy procurement (National Assembly, Federation of Korean Industries, etc.)
- Made proposals to revitalize DPPA and improve relevant policies in Vietnam and Thailand

### Carbon Reduction with Consumers: Third-party Verification of the Impact of AI Energy Mode for Washing Machines

The DX Division is pursuing solution-based initiatives to reduce carbon emissions during the product-use phase, going beyond hardware improvements that enhance products' built-in energy efficiency. By leveraging software and platforms, we help drive energy savings during actual product use. In particular, SmartThings' AI Energy Mode optimizes the energy consumption of connected appliances based on consumers' usage patterns. We are also participating in the development of international standards to more accurately measure and verify the resulting reduction impact. Since 2023, we have participated in DUCD<sup>1)</sup>, led by the Carbon Trust, a global carbon verification body, and have worked with global IT companies to jointly develop measurement standards and reduction methodologies based on actual usage data. In 2024, this effort led to the publication of a guidance document that enables the consistent calculation of energy use and energy-saving effects for connected devices.

In 2025, we became the first in the industry to obtain third-party verification of the energy-saving impact of high-efficiency washing machines equipped with AI Energy Mode in accordance with the DUCD<sup>1)</sup> standard. The analysis covered approximately 187,000 high-efficiency washing machines used by consumers in 126 countries worldwide between July 2024 and June 2025, and found that the use of AI Energy Mode saved 5.02 GWh of energy, equivalent to approximately 30% of total energy consumption. This resulted in an estimated greenhouse gas reduction effect of approximately 2,084 tCO<sub>2</sub>e. This verification marks the first case in which the carbon reduction impact of connected devices in real-world usage environments was quantitatively demonstrated in accordance with an international standard. This verification is significant because it lays the groundwork for effectively managing and scaling emissions reductions during the product-use phase.

1) Decarbonizing the Use-Phase of Connected Devices

[SmartThings Energy & Home Appliances](#) [TV](#) [DUCD Verification Statement](#)

## Strategy

The DX Division systematically manages resource efficiency and circularity throughout the product lifecycle under our [Resource Circularity Policy](#), aiming to prevent resource depletion and reduce the use of virgin materials. To maximize resource circularity across the entire product lifecycle—from raw material procurement to production, use, disposal, and recycling—we are implementing various activities, including expanding the use of recycled and recyclable materials and pursuing Zero Waste to Landfill at our business sites. In addition, we operate a collection system for end-of-life products and conduct research on ways to extend product lifespans, thereby striving to minimize the environmental impact of our products.



### Expand Use of Recycled and Recyclable Materials

- Develop innovative technologies addressing plastic debris, such as recycling discarded fishing nets
- Continuously expand use of recycled materials such as aluminum and glass
- Use resource-circular packaging materials



### Extend Product Life Cycles

- Improve product durability and repairability and support software upgrades to extend product lifespan
- Reduce consumer burden for damage and repairs through Samsung Care+



### Reinforce Business Site Waste Management

- Establish and verify four key strategies for achieving Zero Waste to Landfill
- Promote Ministry of Climate, Energy and Environment recognition as recycled resources to reduce waste discharge



### Operate e-Waste Collection System

- Retrieve post-consumer use products & extract resources to reuse as product raw materials

## Risk Management

To contribute to a circular economy, the DX Division identifies and assesses resource-related risks and opportunities, and systematically manages resource input and output data to support strategic decision-making across our resource circularity efforts. We are also minimizing the use of virgin materials in products and processes while expanding the use of recycled resources. To support these efforts, we operate a Material Data System to manage data on the types and weights of materials contained in our products, as well as the proportion of recycled resources used. In particular, we have selected critical resources that are essential to ICT manufacturing and exposed to potential future risks from supply instability, as well as resources with high regulatory relevance and stakeholder interest, as priority management targets. We are pursuing data-based strategies to minimize the use of these resources.

### Material Data System Operation

We operate the Material Data System (MDS) to enhance transparency in resource use throughout the entire product lifecycle and strengthen the circular economy ecosystem. The MDS is based on IEC 62474, the international standard for material information of electrical and electronic products. We integrate and manage component and material information across the entire value chain to improve resource efficiency and proactively respond to environmental risks. We also enhance design efficiency by linking component-level material information to the product design process.

In addition, we provide optimized guidance and training utilizing both in-house and external AI technologies, enabling our suppliers to input vast amounts of resource data easily and accurately. This minimizes the administrative burden on suppliers, enhances data reliability, and promotes responsible resource management and a strengthened resource circulation system.

## Activities

### Expand Recycled and Recyclable Materials Use

The DX Division is actively promoting the adoption and utilization of recycled and recyclable materials. We have established a goal to expand the proportion<sup>1)</sup> of recycled plastics applied to plastic components in our products to 50% by 2030 and 100% by 2050, and as of 2025, we have achieved a recycled plastic application rate of 33.7%.

In particular, recognizing the significant impact of plastic waste on marine ecosystems, we have developed technology to collect and recycle discarded fishing nets and are applying it to our Galaxy products. We also operate a circular battery supply chain and are gradually expanding the use of various recycled and reused materials, including recycled aluminum and recycled glass.

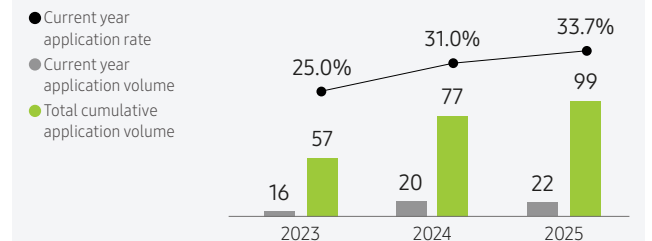
Launched in 2026, the Galaxy S26 consists of over 21% recycled materials. The product incorporates 10 types of recycled materials, including plastic, glass, aluminum, cobalt, and lithium, with recycled tantalum newly added. In addition, we use bioresin derived from phytoplankton<sup>2)</sup> and recycled plastic<sup>3)</sup> in our 13-inch color E-Paper digital signage product.

1) Weight based ratio of parts with recycled plastic from total plastic parts developed by the DX Division. Pure recycled plastic ratios differ by part

2) Bio-resin derived from phytoplankton applied to 10% of product cover

3) Bio-resin derived from recycled plastic applied to 45% of product cover

**Recycled Plastic Use Rate & Volume** (Base year: 2009, unit: 10,000 tonnes)



We also practice resource circularity in our product packaging and reduce our environmental impact by replacing plastic and vinyl with recycled materials, as well as making our packaging smaller and lighter.

[Mid-to Long-Term Roadmap, Recycled/Recyclable Material Expansion](#) [Recycled/Recyclable Packaging Material Use Case by Product Category - Visual Displays/Digital Appliances](#) [Mobile Appliances](#)

### Expanding Product Life Cycles

The shorter a product's replacement cycle, the greater the amount of resources consumed and the higher the direct and indirect greenhouse gas emissions. To reduce the environmental impact of products, the DX Division is strengthening product durability, designing products to be easier to repair, and seeking to extend their usable life through software updates. In addition, we support longer product lifespans by providing refurbished products with warranties under the Galaxy Certified Re-Newed (CRN) program<sup>1)</sup>.

1) Operating countries: Korea, USA, UK, France, Germany, India (as of May 2026)

[Product Life Cycle Extension - Increase Durability](#) [Consider Repairability](#) [Upgradability](#) [Certified Re-Newed \(CRN\) Program](#) [Product Repair Services](#)

### Reinforce Business Site Waste Management

The DX Division seeks to minimize our negative environmental impact by reducing waste generated at our business sites and increasing recycling rates. We manage workplace waste through a range of initiatives, including expanding the recycling of manufacturing process waste to achieve Zero Waste to Landfill, pursuing recycled resource recognition, and reducing the use of disposable items in offices.

### Obtain Business Site Zero Waste to Landfill Validation

In 2022, we established four key strategies to achieve our Zero Waste to Landfill target, and are improving recycling rates through improvement activities tailored to each workplace's characteristics. Manufacturing process waste that was previously landfilled or incinerated has had its generation minimized through process changes, or has been recycled into such items as non-ferrous metal raw materials or wood chips. When incineration is unavoidable due to difficulty in recycling, we recover the maximum amount of energy in the form of heat and steam. Through these efforts, by 2025, 22 Korean and global manufacturing sites have obtained the Zero Waste to Landfill Platinum certification<sup>2)</sup>, achieving our goal of acquiring the highest grade at all global manufacturing sites.

1) Grades are awarded based on the percentage of waste generated at workplaces recycled as resources (Platinum 100%, Gold 95–99%, Silver 90–94%, etc. / Recognized as 100% if 99.5% or more is achieved by applying rounding to one decimal place)

#### Four Key Strategies for Achieving Zero Waste Landfill

##### Expand Waste Sorting and Recycling

- Additionally sort existing landfilled/incinerated waste to convert into recycled resources

##### Strengthen Waste Performance Monitoring

- Establish a waste management system (N-EHS) and to monitor and immediately improve performance

##### Discover Energy Recovery Operators

- Recover energy from waste that is difficult to recycle through collaboration with power generation, cement, and paper manufacturing companies by country

##### Improve National Policies and Validation Standards

- Improve country level waste treatment policies and Zero Waste to Landfill validation standards

#### Zero Waste to Landfill Validation Status (2025)

[Zero Waste to Landfill Validation](#)

##### Platinum Certified

Korea: Suwon, Gumi, Gwangju

Global: China, Slovakia, India (2), Brazil (2), Poland, Hungary, Egypt, Vietnam (3), Türkiye, USA, Mexico (2), Indonesia, Thailand, Malaysia

### Recognition of Circular Resources

Since 2024, we are pursuing the Korean Ministry of Climate, Energy and Environment's Quality Mark Certification for Circular Resources which recognizes valuable waste material not hazardous to human health or the environment as resources. We identified 20 circular resource recognizable items in 3 Korean sites via on-site consultations, of which 5 were recognized as circular resources by end of 2025, including refrigerator steel plates, waste paper, and graphite powder. In 2025, the recognition of circular resources contributed to 1,992 tonnes of waste reduction, and plan to have all 20 discovered items recognized as circular resources in order to reduce a total of approximately 9,000 tonnes of waste by 2027. [Circular Resource Recognition](#)

### In-house Waste Reduction

We implemented measures to reduce in-house single-use items. We distributed eco-bags to employees to minimize the use of disposable plastic bags and transitioned to reusable tableware and drink cups in company cafeteria and cafes. Additionally, we installed 510 food waste processors in employee lounges at the Suwon and Gwangju sites to separate food waste from general waste and convert it into compost. [In-house Waste Reduction](#)

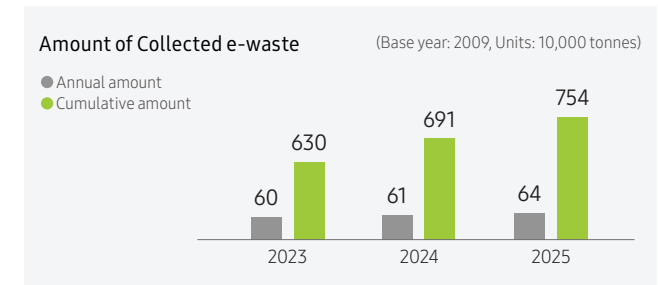
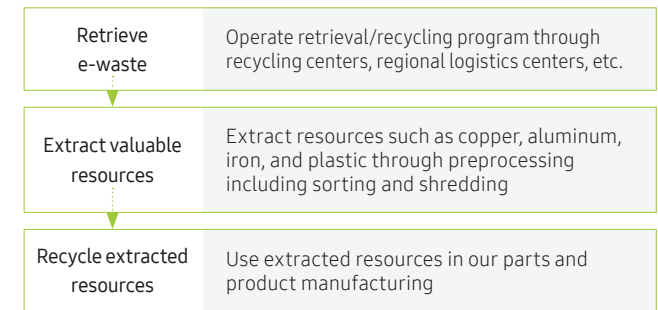
### E-waste Collection & Recycling System

We operate various recycling programs for waste products across approximately 100 countries to promote global e-waste recycling. We collect materials regardless of brand and consider national context to effectively operate our waste material recovery and recycling system via either directly operated recycling centers or partnered recycling associations and companies.

We recovered a total of 7.54 million tonnes of e-waste from 2009 through the end of 2025. We will expand our waste product recovery program to all regions with product sales, and plan to recover a total of 10 million tonnes by 2030 and 25 million tonnes by 2050.

[Recycling Programs by Country](#) [Waste Product Recovery System by Region](#) [Requirements for Recycling Service Partners](#)

#### E-waste Recovery and Recycling Process



## Strategy

The DX Division systematically manages water resources and promotes water replenishment projects to fulfill our social responsibility regarding water resources. We classify water used at our global manufacturing sites into categories such as sewage, wastewater, and process water, calculate monthly reuse performance, and implement improvement initiatives to reduce water withdrawal. Furthermore, water that cannot be returned to nature and is inevitably consumed is returned to the local community through water replenishment projects, and we are striving to protect and improve the aquatic ecosystems in watersheds near our sites.

[Water Resource Management Mission and Vision](#)



### Systemic Water Resource Management

- Reduce/recycle water used in manufacturing process via detailed water resource management at global manufacturing sites
- Obtain Alliance for Water Stewardship water management certifications



### Water Replenishment Projects

- Preserve water resources through water replenishment projects for all manufacturing sites
- Implement various aquatic ecosystem conservation activities, such as the restoration of reservoirs, streams, rivers, and wetlands

## Risk Management

We perform annual analysis on whether a business site is located in a water stress or water risk region detailing potential water resource risks. We apply water resource management tools from internationally recognized bodies like the World Resource Institute's (WRI)<sup>1)</sup> to identify water stress or risk regions.

We recognize droughts, floods, and ecosystem imbalance as water resource risks and establish and implement response strategies for each. To prepare for droughts, we developed an Emergency Response Plan for Droughts and regularly monitor water usage and drought indicators. For flood response strategies, we established a

flood prevention and reporting system across all business sites by setting criteria for issuing alerts and defining response measures, and conducted regular training accordingly. At each site, we collaborate with local governments to carry out regular cleanup activities and support the restoration of aquatic ecosystems to conserve natural ecosystems.

[Water Risk Assessment](#)

1) Evaluates items such as quantitative and qualitative data on water resources, institutional and reputational risks

### DX Division Status for Sites in Water Risk Regions (as of 2025)

	Unit	Sites	Withdrawal	Discharge	Consumption
Total	1,000 Tonnes	25	18,710	15,198	3,512
Water Risk Regions <sup>1)</sup>	1,000 Tonnes	10 <sup>2)</sup>	2,440	1,888	552

1) Regions with WRI Aqueduct Baseline Water Stress metric High or above  
2) India(2), Mexico(2), Poland(1), Egypt(1), China(1), Thailand(1), USA(1), Indonesia(1)

## Activities

### Systemic Water Resource Management

We are decreasing our water withdrawal through installation of water saving facilities at all our sites, and increasing our water reuse by expanding reuse of graywater from treated wastewater. We are also pursuing various water use reduction activities including using groundwater and rainwater for landscaping and everyday purposes.

[Water Conservation and Reuse Efforts](#) [Water Resource Management Process](#)

#### Water Reused

2,704 thousand tonnes

\* Water reuse to withdrawal ratio 14.5%

#### Water Replenished

2,361 thousand tonnes

\* Water replenishment to consumption ratio 67.2%

#### 2025 CDP Water Security Korea Awards

Samsung Electronics was honored with the Sector Excellence Award in the Water Security Sector from CDP (Carbon Disclosure Project), a global sustainability assessment organization.



### AWS Water Resource Management Certification

To preemptively respond to water risks caused by the climate crisis, we adopted the internationally recognized AWS (Alliance for Water Stewardship)<sup>1)</sup> Standard to advance its water resource management system at each business site. We are expanding AWS certification, focusing on major Korean and global business sites, and have proven our global-level water resource management capabilities by achieving the highest "Platinum" certification at 6 business sites, including Suwon, Gumi, Gwangju, and Vietnam (SEV, SEVT, SEHC). This demonstrates that we are contributing not only to water conservation within our business sites, but also to water quality and quantity management at the watershed level. In 2026, we plan to expand certification acquisition to the India (SIEL-P(N/C)) business site. The DX Division complies with the following 5 key evaluation items presented by AWS.

[AWS Certifications](#)



#### Good Water Governance

Establishment of water resource management policies and performance monitoring through the Sustainability Council



#### Sustainable Water Balance

Minimizing water withdrawal through an advanced wastewater reuse system, and pursuing zero increase in water withdrawal at manufacturing sites by 2030



#### Good Water Quality Status

Minimizing impact on aquatic ecosystems in nearby rivers by applying internal discharge water quality standards using legal criteria as minimum requirements



#### Important Water-related Areas

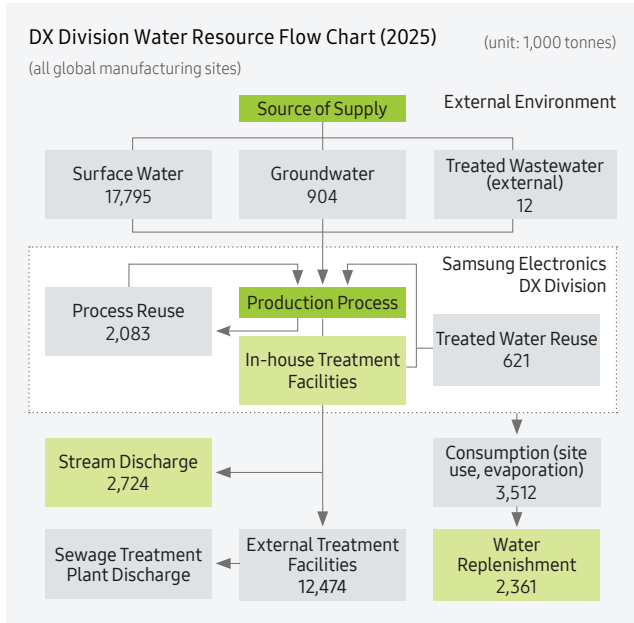
Restoring the health of local ecosystems through river restoration activities near business sites and aquatic ecosystem monitoring



#### Safe Water, Sanitation and Hygiene for All (WASH)

Realizing basic water rights by ensuring safe drinking water and sanitation facilities for all employees and community stakeholders

1) AWS was established by leading water organizations, including the United Nations, international NGOs, and research institutes, in response to the global water challenge. AWS certifies a company's water resource management system into three levels of 'Platinum', 'Gold', and 'Core' based on a total of 100 criteria-including the company's water management stability, pollutant control, water quality and sanitation, impact on aquatic ecosystems in nearby watersheds, and governance structure (based on AWS Standard V2.0)



## Water Replenishment Projects

The DX Division purifies water used in the production process and returns it to nature. Although some water is inevitably consumed during this process, we established a target of "100% Water Replenishment by 2030" to return an equivalent amount to the local community. By implementing water replenishment projects, we are returning available water resources to stakeholders and the local community. The DX Division has maintained a 100% water replenishment rate for Korean manufacturing sites since 2024 and recorded a global rate of 67.2% in 2025.

We signed a Memorandum of Understanding (MOU) with the Korea Rural Community Corporation in 2023 and conducted a pilot project to support the reuse of agricultural water in island regions facing water shortages. Subsequently, through collaboration with local governments, regional governments, public institutions, and NGOs, the Division promoted water resource restoration projects at 7 Korean and 35 global locations by 2025. Furthermore, key ecological indicators are being periodically monitored to ensure the effectiveness of the projects and the health of the ecosystem. The DX Division plans to expand these restoration projects to all global manufacturing sites by 2030.

[Water Replenishment Status](#) 🌱

We calculate the performance of our replenishment projects by applying a globally recognized water replenishment methodology<sup>1)</sup>. In addition, to eliminate errors that may occur during the calculation process and to verify the validity of the calculation method, the performance has been verified by an external organization. Going forward, we plan to continue external verification of replenishment performance to ensure the consistency and reliability of the results.

Type	Projects	Water Replenished (1,000 tonnes)
Korean	7	1,195
Global	35	1,166
Total	42	2,361 (67.2% <sup>2)</sup> )

1) Volumetric Water Benefit Accounting 2.0

2) Replenishment rate against our global water resource consumption

## Global Water Replenishment Projects

### Reservoir Restoration Project – New Delhi, India



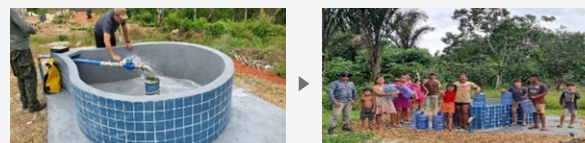
Replenishes an approximate 100,000 tonnes of water per year through reservoir waste/vegetation removal and floor dredging, also improving water quality and increasing reservoir capacity

### Stream Restoration Project - Chon Buri, Thailand



Strengthens flood response capabilities through riverbed dredging and capacity expansion, and securing approximately 70,000 tons of additional water resources annually through linkage with downstream dams

### New Well Construction Project - Manacapuru, Brazil



Installation of 6 wells improved water resource accessibility for local residents (approx. 6,000 people) and supplied approximately 470,000 tonnes of household water annually

## 'World Water Day (3.22)' Activities

The DX Division's Korean and global sites participate in the World Water Day campaign every year. Each site, together with local governments, civic groups, schools, and suppliers, is carrying out activities such as cleaning up nearby streams, planting trees, conducting World Water Day campaigns, and providing hygiene education and drinking water support for vulnerable groups. In 2026, approximately 12,000 people participated in events across 21 sites, including those in Korea, Vietnam, China, Brazil, and Mexico.

### River Cleanup Activities Near Our Business Sites

Together with local governments, residents, and NGOs, we conducted cleanup activities at rivers, beaches, and wetlands near our business sites.



Nile River cleanup activities by the Egyptian subsidiary



Igye Stream cleanup activities by the Gumi site

### Tree Planting Programs

We conducted tree planting activities together with local governments, local residents, and NGOs.



Mangrove tree planting by the Indonesian subsidiary



Tree planting by the Brazilian Campinas corporation

### World Water Day Campaign

We ran a campaign regarding the theme of World Water Day 2026, 'Water and Gender.'



Joint Seminar Held by Turkish Subsidiary and Public Institutions



Campaign by the Brazilian Manaus Subsidiary

### Activities for Vulnerable Groups

We provided hygiene education and delivered drinking water-related supplies to socially vulnerable groups.



Children's Education by the Indian Noida Subsidiary



Drinking Water Support Activity for Socially Vulnerable Groups by the Vietnamese Hanoi Subsidiary

## Strategy

The DX Division complies with global environmental regulations<sup>1)</sup> to minimize the potential negative impacts of substances of concern in products and chemicals used at sites on customer health and the environment. We continuously strengthen our internal management systems to ensure that all products and components are free from substances of concern and strictly limit our chemical usage. We also monitor environmental policies and regulations to ensure compliance with legal standards for water and air pollutants. We established internal emission standards to manage pollutants effectively, addressing stakeholder requirements and minimizing our impact on nature.

1) EU Restriction of Hazardous Substances (RoHS), EU Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), US Toxic Substances Control Act (TSCA), etc.

[EU REACH Declaration](#)



### Management of Substances of Concern (SoC) in Products and During the Manufacturing Process

Comply with regulations & strengthen management of SoCs in products and manufacturing site chemical substances



### Pollutant Discharge Minimization and Incident Preparedness

Establish and apply internal standards using legal criteria as minimum requirements

## Risk Management

The DX Division operates a thorough pre-inspection and post-management system to minimize risks related to hazardous substances in raw materials and parts. In addition, when installing new facilities within the workplace or making changes to personnel, process layouts, work procedures, or working conditions, we conduct risk assessments for all operations and facilities handling hazardous and dangerous substances.

Once risks are identified, we evaluate the likelihood, consequences, contributing factors, and control measures, and develop possible incident scenarios assuming specific occurrence possibilities to assess potential impacts in advance and predict their impacts.

## Activities

### Management of Substances of Concern (SoC) in Products and During the Manufacturing Process

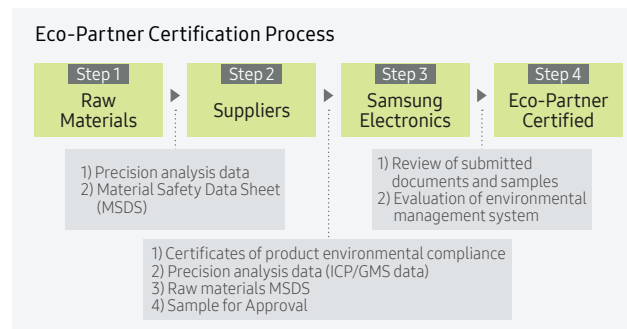
The DX Division has established the '[Standards for the Control of Substances Used in Products](#)'<sup>2)</sup> to prohibit or restrict the use of regulated substances, and is voluntarily establishing and implementing plans to reduce the use of potentially hazardous substances<sup>1)</sup>. In particular, to proactively restrict the use of substances of concern such as PFAS<sup>2)</sup>, we are gradually pursuing the securing and application of substitutes starting in 2025.

In addition, we operate an Eco-Partner certification system for all suppliers supplying products or components to manage the use of environmentally hazardous substances in the supply chain and encourage suppliers to actively participate in environmental management activities. When a supplier submits to Samsung Electronics documents such as certificates of product environmental compliance, which certify data received from raw material suppliers and information on substances of concern, Samsung Electronics reviews compliance with the 'Standards for the Control of Substances Used in Products' and the supplier's environmental quality management system to grant certification. We conduct business exclusively with suppliers that have obtained this certification.

1) Polyvinyl chloride (PVC), brominated fire retardants (BFRs), beryllium, antimony, etc.

2) Per- and Polyfluoroalkyl Substances, a general term for over 10,000 types of perfluorinated compounds

[Control of Substances Used in Products](#)



As chemical regulations are tightened globally and the scope and standards of regulation vary by country, the importance of systematic chemical management is growing. We regularly update a chemical substance regulation database for 16 countries with manufacturing sites including China, Vietnam, and India, while minimizing risk by applying our own standards and through integrative management.

We manage all chemicals-related activities from purchasing to disposal via our system to secure chemical substance use safety. We are also enhancing our chemical substances management history process and system to readily identify whether internally regulated substances are contained in any chemical products that our employees intent to use, and are testing for such chemicals.

[Chemical Substance Management Process](#)  
[Regulated Substances Used in Manufacturing Processes](#)

### Pollutant Discharge Minimization and Incident Preparedness

We establish and adhere to internal standards using legal criteria as minimum requirements to minimize production phase water pollutant discharge and air pollutant emissions and to proactively prepare for potential pollutant leaks or spills.

At each manufacturing site, we conduct wastewater discharge analysis more often than is required by legal standards to continuously comply with internal criteria. We maintain at least 10% excess capacity in water pollution control facilities in case of unexpected increases in pollutant inflow, and key components of these facilities are installed in duplicate to ensure uninterrupted operation in case of equipment failure.

Automatic gates, valves, other blockage facilities, measuring devices, and CCTVs tailored to the substances we handle and traits of surrounding watersheds are installed at the final stormwater discharge points. This ensures that pollutants can be immediately blocked in emergency situations. Additionally, we participate in voluntary agreements such as the "Particulate Matter Seasonal Management Program" managed by the Metropolitan Air Quality Management Office and the "Voluntary Agreement for Air Pollutant Reduction" managed by the Yeongsangang Basin Environment Management Office for our employees' health and the well-being of local communities.

## Strategy

The DX Division recognizes the importance of biodiversity conservation and the managerial value of natural capital, and systematically manages risks and impacts related to natural capital throughout our business activities in accordance with [biodiversity conservation policies](#).<sup>1)</sup> Considering the dependence on and impact on ecosystems and biodiversity, we incorporate relevant factors into business operations and carry out management activities to minimize negative impacts.

In accordance with the TNFD<sup>1)</sup> guidelines, the global disclosure standard for natural capital, we established a risk analysis framework unique to the DX Division and identified key management sites by thoroughly analyzing the risks posed by business operations to nature and biodiversity. Focusing on these sites, we are implementing conservation and restoration programs aimed at pollution reduction and strengthening ecosystem resilience, while applying management measures considering the ecological characteristics of each region. We are promoting various biodiversity conservation activities, such as vegetation restoration and water quality and aquatic ecosystem improvement, through communication and cooperation with diverse stakeholders including local governments, local communities, and NGOs. Furthermore, we are continuously identifying and implementing measures to contribute to ecosystem protection by leveraging technological capabilities the DX Division possesses.

1) Taskforce on Nature-related Financial Disclosures



### Biodiversity Conservation Activities

- Analysis of the current status of the natural environment near our business sites
- Promotion of vegetation restoration, water quality, and aquatic ecosystem improvement activities



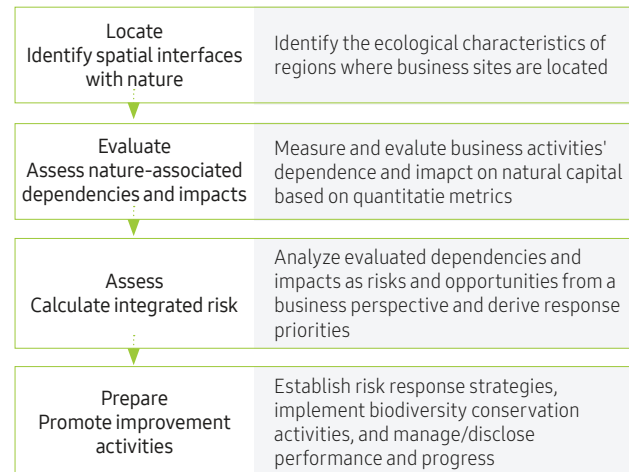
### Innovative Technology Based Ecosystem Protection

- Recycling of discarded fishing nets, development of underwater photography capabilities, etc.

## Risk Management

The DX Division established a natural capital risk analysis framework based on the LEAP approach recommended by the TNFD, and has applied this framework to all manufacturing sites to select priority business sites for focused management.

### Natural Capital Risk Analysis Process (LEAP)



### Locate: Identify Spatial Interfaces with Nature

We conducted a risk analysis covering 22 manufacturing sites located worldwide. Based on the geographical coordinates of the subjected sites, we performed an overlay analysis of biodiversity and ecosystem characteristics within a 10 km radius of each site, utilizing data such as Key Biodiversity Areas (KBA), the World Database on Protected Areas (WDPA), the Normalized Difference Vegetation Index (NDVI), and the IUCN Red List Index. We also conducted a comprehensive review of water stress levels and land cover status across the ecoregions in which each site is located, enabling us to systematically identify key interfaces between our business operations and natural capital.

### Evaluate: Assess nature-associated dependencies and impacts

We identified 11 key indicators closely linked to our manufacturing processes, drawing on ENCORE<sup>1)</sup>—a tool used to analyze dependencies on and impacts on natural capital—and WWF's Biodiversity Risk Filter (BRF<sup>2)</sup>) to enhance the objectivity and reliability of our analysis. We then defined these indicators as evaluation criteria and used various analytical tools to assess each site's dependencies and impacts for each indicator.

All indicators were standardized on a 0–100 scale to ensure comparability across the different data scales generated by the analytical tools. This enabled consistent comparison and analysis of relative levels across global sites. In addition, we incorporated each site's dependencies and potential impacts on natural capital, and presented the results in a "Biodiversity Risk Assessment Heatmap" that reflects biodiversity sensitivity and supports the effective identification of risk exposure levels.

1) Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE): A tool developed by the United Nations Environment Programme that assesses potential dependencies and impacts on natural capital based on a company's industry-specific characteristics.

2) Biodiversity Risk Filter (BRF): A biodiversity risk assessment tool based on site location information

### 11 Key Natural Capital Indicators

#### Land

- ① Site Area
- ② Air Quality Status
- ③ Land/Freshwater/Marine Use Changes
- ④ Pollution Level
- ⑤ Landslides
- ⑥ Tropical Storm
- ⑦ Areas aligned with World Database on Protected Areas (WDPA) or Key Biodiversity Areas (KBA)

#### Freshwater

- ① Water Resource Availability
- ② Water Quality

#### Biodiversity

- ① Normalized Difference Vegetation Index (NDVI)
- ② Risk Level Based on the Red List Index

## Assess: Calculate integrated risk

We categorized our sites into three risk tiers based on the consolidated risk analysis results: High, Mid, and Low. From the High-risk group, 5 sites with the greatest level of risk exposure were designated as priority management sites: two in Vietnam, one in India, and two in Korea. These sites showed comparatively elevated risk levels due to the combined effects of natural capital-related dependency and impact factors, such as site area<sup>1)</sup>, NDVI, water resource availability, tropical storm exposure, and pollution levels. Based on these findings, we prioritized key sites requiring management and developed an analytical framework to support the proactive mitigation of potential financial risks while expanding nature-related opportunities.

1) An indicator representing the scale of land utilized for business operations, used to identify the potential scope of habitat changes and ecosystem impacts arising from business development.

[Biodiversity Risk Assessment Heatmap by Site](#)

## Activities

### Prepare: Promote improvement activities

We developed response strategies aimed at reducing risks and generating nature-related opportunities, with a focus on the identified priority management sites. By carrying out reservoir dredging and vegetation restoration projects to rehabilitate aquatic ecosystems, we are helping improve habitat conditions and restore ecosystem functions. We are also leveraging innovative technologies to protect marine ecosystems, including recycling waste fishing nets and developing "Ocean Mode," an underwater photography feature. Moving forward, we will continue to advance biodiversity conservation and reduce impacts on the natural environment through a range of initiatives aligned with our business characteristics and technological strengths.

[Biodiversity Conservation Activities](#)

### Biodiversity Conservation Activities

#### Reservoir Dredging in Hanoi, Vietnam

We made efforts to improve water quality and dissolved oxygen levels and restore the health of the aquatic ecosystem by dredging sediment from the reservoir. In this effort, we expanded the reservoir capacity from 388 m<sup>3</sup> to 1,789 m<sup>3</sup>, improving water resource availability in the Hanoi region.



1) As an indicator representing the total amount of nitrogen and phosphorus found in water, TN and TP are used to measure water pollution levels and plays an important role, particularly in assessing eutrophication in rivers and lakes.

#### Agroforestry in Madhya Pradesh, India

We are expanding green areas by planting a total of 1.56 million trees, including teak, fruit trees, and bamboo, in areas with poor vegetation to promote the restoration of ecological functions of farmland through the prevention of soil erosion and the supply of organic matter, and to contribute to responding to climate change and providing habitats for wild animals and plants.



#### Ogok Small Reservoir Dredging in Haman, Republic of Korea

To improve the habitat of various flora and fauna and restore the ecological function as an inland wetland, the long-term accumulated organic sediment at Haman Ogok Reservoir was dredged, expanding the reservoir capacity from 33,600m<sup>3</sup> to 44,546m<sup>3</sup>. In addition, to protect the ecosystem, water quality indicators (total nitrogen-TN, total phosphorus-TP)<sup>1)</sup> and biological indicators such as fish, birds, and mammals are being monitored periodically.

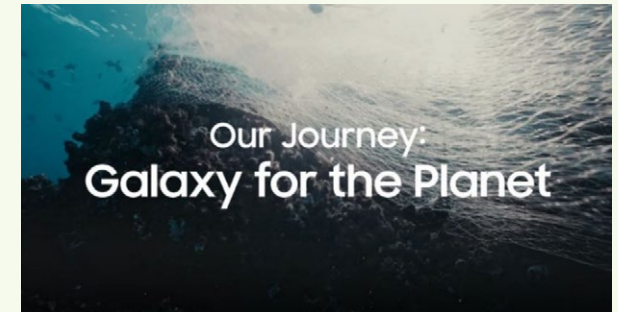


### Innovative Technology Based Ecosystem Protection

Discarded fishing nets are one of the major causes of damage to marine life and habitats. The DX Division has collected and recycled over 200 tonnes of discarded fishing nets by 2025 and is applying them to components of various products. In addition, we are enhancing the efficiency of coral reef restoration work by developing 'Ocean Mode,' a Galaxy-exclusive camera feature that allows for the capture of high-quality coral reef images even underwater. Utilizing coral reef images captured with Ocean Mode, we have produced a total of 86 3D coral reef models by March 2026, laying the foundation for the regeneration of coral reef colonies.

[Discarded Fishing Net Recycling](#) [Coral Reef Restoration Project](#)

### MX Business Unit Unveils "Galaxy for the Planet" 2030 Environmental Vision



The DX Division's MX (Mobile eXperience) Business Unit announced the 'Galaxy for the Planet' vision in 2021 to reduce environmental impact across product design, production, and business operations, and achieved this vision in 2025. Building on these achievements, in 2026, the MX Business Unit established and unveiled new environmental goals through 2030, including resource circularity, water resource management, and ecosystem conservation.

[Vision & Goal](#)

#### 1. Application of Recycled Materials to All Modules of MX Product Lines

We plan to apply at least one type of recycled material to all mobile product modules<sup>1)</sup> to continuously strengthen resource circularity.

1) Refers to key components within mobile products, such as batteries, displays, and structural components. This target will be applied to Galaxy smartphones, tablets, PCs, and watches.

#### 2. Replenish 110% of Water Usage and Achieve the Highest Certification Grade in Water Resource Replenishment and Management

Through best-in-class water resource management, we plan to replenish 110% of our actual water consumption back to local communities. In addition, we plan to achieve the "Platinum" grade—the highest certification level of the Alliance for Water Stewardship (AWS)—at 10 MX manufacturing sites worldwide.

#### 3. Conserving Ecosystems Equivalent to or Greater than the Area of MX Manufacturing Sites

Considering the impact of corporate activities on surrounding ecosystems, we plan to conserve ecosystems equivalent to or greater than the total area of our 10 MX manufacturing sites worldwide.

# Governance and Major Progress

## Strategy

The DS Division recognizes that environment is a critical area significantly influencing its business operations. The Sustainability Committee under the Board of Directors, the highest decision-making body of Samsung Electronics, and the ESG Management Council chaired by the DS Division head, approve our environmental management strategies/goals and oversee key activities.

In 2022, the Sustainability Committee declared long-term goals through the "New Environmental Strategy," which key environmental targets such as addressing climate change and water resource management. Since 2023, the Committee has been incorporating key achievements related to these targets into its agenda and overseeing them accordingly. The DS Division, through this systematic management, has achieved key objectives of our New Environmental Strategy, including the implementation of low-power memory chips by 2025 and the attainment of Platinum grade status for Zero Waste to Landfill (ZWTL) at global sites. In particular, we have generated tangible results demonstrating power consumption reductions in memory (DRAM/NAND) semiconductor products utilizing low-power design technologies.

To establish and implement environmental management plans and supervise implementations, we steer several core operational committees. Of these committees, the Carbon Reduction Committee oversees overall activities regarding climate change, including GHG emission monitoring; the Environmental Conservation Committee focuses on resource circularity and pollutant management; and the Reuse Expansion Committee sets detailed targets and manages implementation outcomes for water resource-related activities. The achievements and tasks derived from the operation of these committees lead to key environmental performance outcomes, such as greenhouse gas reduction, renewable energy transition, and reduction in water withdrawal, and are mandatorily reflected in executive evaluations.

Environmental Management System Environmental Risk Management

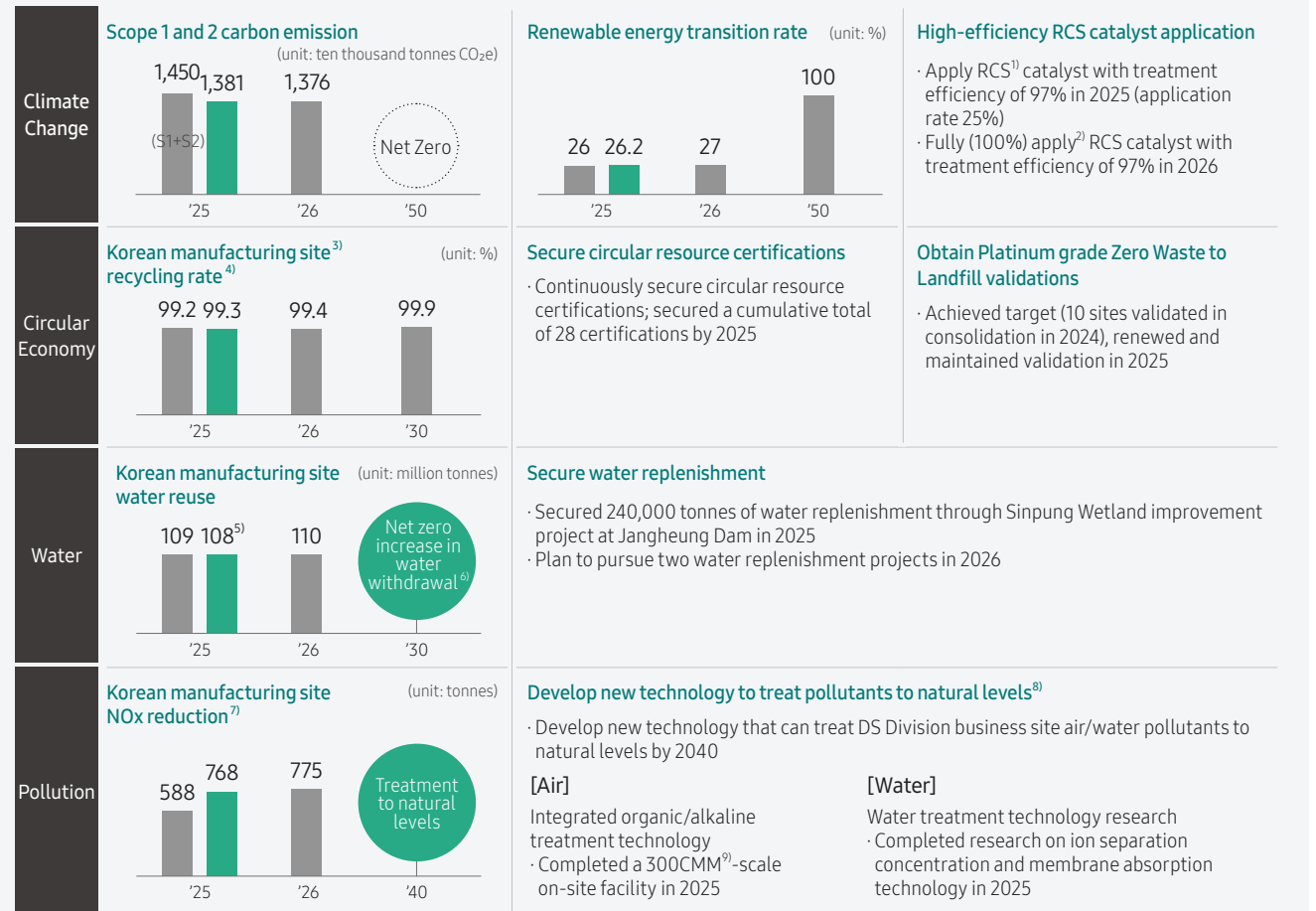
### Key Committees



Environmental Management Governance

## Major Progress





### 2025 Progress and 2026 Targets



1) Regenerative Catalytic System 2) Applied to all RCS on production lines 3) Giheung, Hwaseong, Pyeongtaek, Cheonan, and Onyang sites  
 4) Recycling rate based on Korean legal standards  
 5) Although the target set for water reuse in order to reduce water withdrawal was slightly underachieved, water usage reduction activities other than reuse exceeded the plan (13 million tons) by 22 million tons, and the goal of achieving zero increase in water withdrawal is being implemented as planned.  
 6) Compared to 2021; includes reuse of discharged water from public sewage treatment facilities 7) Reduction amount = expected emissions – actual emissions  
 8) Discharged water at upstream river levels, air at national target levels 9) Cubic Meter Min (m<sup>3</sup>/min)

## Strategy

The DS Division has set a goal of achieving Scope 1 and 2 Net Zero by 2050 and is establishing and operating a mid-to long-term reduction roadmap aligned with this objective. While improving processes and facilities and developing and applying direct emission reduction technologies to manufacturing sites, we are simultaneously pursuing the reduction of indirect emissions through enhanced energy efficiency and expanded use of renewable energy. Furthermore, to strengthen Scope 3 management, we are enhancing emission inventories and calculation methodologies, and expanding reduction activities across the entire value chain by supporting suppliers in calculating emissions and establishing reduction targets. On the product side, we are continuously strengthening the foundation for reduction implementation by quantitatively managing product carbon footprints based on Life Cycle Assessment (LCA), developing technologies that contribute to our Net Zero target, and refining emission assessments. Additionally, we are driving downstream emission reduction through the development of low-power semiconductors.

- 
**Direct GHG Emission Reduction**
  - Enhance process gas management
  - Reduce LNG fuel usage
  - Transition to Zero-Emission Vehicles
- 
**Indirect GHG Emission Reduction**
  - Reduce power use
  - Expand renewable energy use
  - Pursue carbon free energy collaboration
- 
**Value Chain Carbon Reduction**
  - Supplier GHG emission reduction activities
- 
**Semiconductor Product Carbon Reduction**
  - Operate product LCA process & Product Carbon Footprint (PCF) system
  - Enhance low-power product and process

## Risk Management

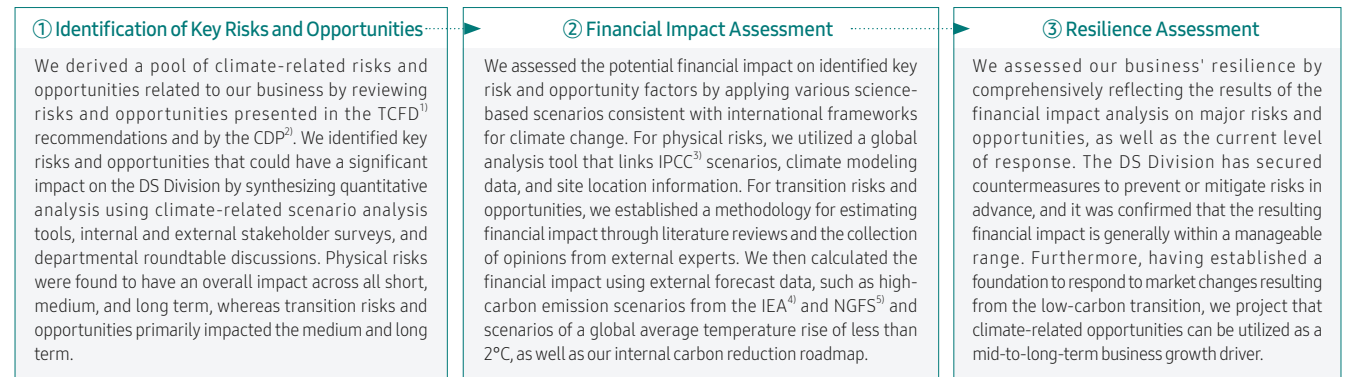
The DS Division manages climate change risks by integrating them into the company-wide risk management system. Based on the ISO 22301 Business Continuity Management System (BCMS), we identify and evaluate physical risks, such as weather-related disasters, as well as transition risks arising from country-specific regulations and market changes, and establish business continuity plans based on these evaluations. In the event of acute risks, such as floods and storms, we respond promptly according to emergency response procedures, and continuously monitor climate change risks at global sites through risk management processes and manuals by function. Response measures for major risks and opportunities are reviewed and deliberated by the Sustainability Committee and the ESG Management Council.

### Climate-Related Risk and Opportunity Analysis

Identifying and managing climate-related risks and opportunities is crucial for creating new business opportunities and entering new markets. We established a climate-related risks and opportunities analysis process and assessed the financial impact on the business under various climate change scenarios. Based on this, we analyzed how effectively our business structure can respond to potential climate-related risks.

[DS Division Climate-Related Risks and Opportunities](#)

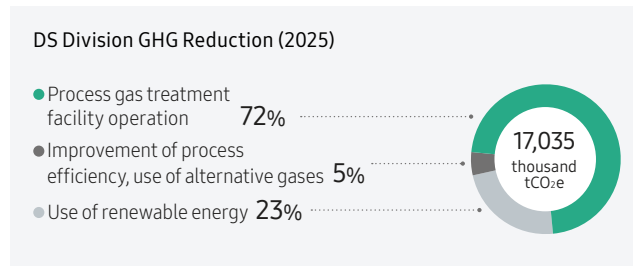
#### Climate-Related Risk and Opportunity Analysis Process



Key Risks and Opportunities		Financial Impact	Response Strategy
Physical Risk	Drought	· Exposure levels at all sites are similar in the short, medium, and long term, with limited variation over time	· Establish an emergency supply system through diversification of water sources and cooperation with suppliers · Secure a foundation via the government's stable water supply support for national strategic industries
Transition Risk	Increase in Cost of Purchasing Carbon Credits	· Increase in carbon credit prices when carbon emission allowances are exceeded due to strengthened greenhouse gas regulations/policies	· Direct emission reduction through RCS and waste heat recovery systems · Indirect emission reduction through reduced power consumption in production processes and transition to renewable energy
Opportunity	Reduction in Water Use and Consumption	· Reduce external water purchases due to increased water reuse rates · Expected to offset potential losses caused by physical risks such as drought	· Establish targets to increase water reuse rates and expand facility investment · Reduce water risk through operational efficiency improvements resulting from process and facility upgrades

1) Task Force on Climate-related Financial Disclosures 2) Carbon Disclosure Project 3) Climate and disaster prediction models, meteorological data from the National Meteorological Administration, etc. 4) International Energy Agency 5) Network for Greening the Financial System

## Activities



### Direct GHG Emission Reduction

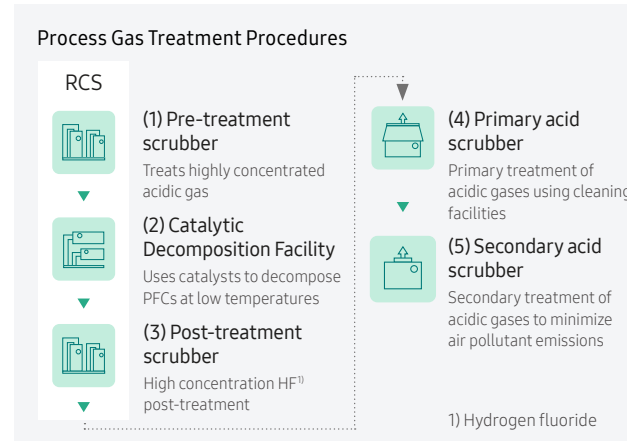
The DS Division is continuously pursuing structural innovations across manufacturing facilities and processes to reduce Scope 1 emissions generated from the use of process gases and LNG fuels. We are solidifying our direct emission reduction system by simultaneously expanding the Regenerative Catalytic System (RCS), developing alternative gases with low Global Warming Potential (GWP), and implementing fuel-saving activities based on waste heat recovery.

### Process Gas Management

**Large-scale integrated process gas treatment facilities** We have expanded the application of RCS, the first large-capacity integrated process gas treatment facility developed in the semiconductor industry, to our mass production lines. In 2025, 3 additional RCS units were introduced across 2 production and research lines, bringing the total number of installed and operating units to 55. Furthermore, third-generation catalysts with a PFCs<sup>1)</sup> treatment efficiency of 97% have been deployed horizontally across 25% of the site, with plans to expand their application to 100% by 2026. Going forward, the DS Division plans to continuously expand the installation of RCS not only on new production lines but also on existing lines, with certain exceptions.

1) Perfluoro Compounds

[Regenerative Catalytic System \(RCS\)](#)



**Developing Alternative Gases** We invested in the development of alternative gases with low global warming potential and have already achieved results in replacing PFCs in some manufacturing processes. Since 2018, we have applied a C<sub>4</sub>F<sub>8</sub><sup>1)</sup> alternative gas (G<sub>1</sub>), and starting in 2025, we began field application of G<sub>3</sub>, which replaces CF<sub>4</sub><sup>2)</sup>, a major contributor to process greenhouse gas emissions. Furthermore, we plan to pursue additional reductions by introducing a CHF<sub>3</sub><sup>3)</sup> alternative gas (G<sub>2</sub>) starting in 2026. We intend to contribute to carbon reduction across the entire semiconductor industry by opening up these developed alternative gases to the industry, going beyond their utilization within our own processes.

1) Octafluorocyclobutane, IPCC AR6 standard GWP = 10,200

2) Carbon Terafluoride, IPCC AR6 standard GWP = 7,380

3) Trifluoromethane, IPCC AR6 standard GWP = 14,600

**Carbon Capture Research** Centered around the Air Science Research Center established in 2021, we are striving to develop and commercialize technologies for the capture, storage, and utilization of carbon emitted from industrial sites. We are researching and developing source technologies that can efficiently capture greenhouse gases and convert them into resources while minimizing energy consumption, and we plan to apply these technologies to manufacturing facilities in stages.

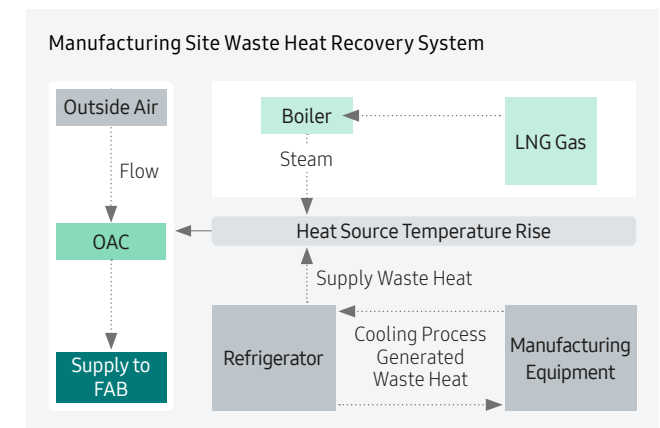
We intend to contribute to the reduction of direct carbon emissions by applying technology that captures and purifies high-concentration CO<sub>2</sub> emitted after use in semiconductor manufacturing processes, supplying it as a renewable CO<sub>2</sub> resource for process use.

[Carbon Capture Research](#)

### Fuel Reduction

We pursued process operation optimization, expanded waste heat recovery, and the introduction of non-fuel facilities as core strategies to reduce fuel consumption. Notably, new production lines have been equipped with heat recovery systems prior to industrial wastewater discharge, and LNG usage has been minimized by designing systems to utilize waste heat from cooling water for heating outdoor units year-round. Through the expanded application of these heat recovery facilities and operational optimization, the utilization of waste heat is continuously expanding. As a result, the waste heat utilization rate at the Giheung, Hwaseong, and Pyeongtaek sites improved from the existing 51% to 55% by 2025.

In the future, we plan to expand the application of waste heat recovery systems to existing lines to enhance thermal energy utilization efficiency across all our sites. In particular, at the Pyeongtaek site, we intend to utilize thermal energy supplied from external sources, such as waste heat generated from nearby incinerators. In addition, we plan to operate a non-fuel facility that replaces existing LNG-based heat sources by using heat pumps to produce hot water from the chilled water used in heat exchangers of certain processes.



### Transition to Zero-Emission Vehicles

As part of our efforts to reduce direct GHG emissions, we have transitioned a cumulative total of 157 vehicles to zero-emission vehicles (electric and hydrogen-powered) by 2025.

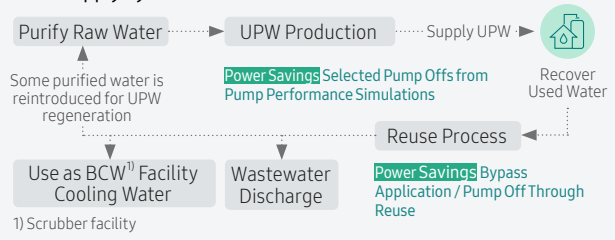
## Indirect GHG Emission Reduction

Considering the characteristics of semiconductor manufacturing, which involves a high proportion of power consumption, we set energy usage optimization and energy decarbonization as core tasks. We are simultaneously realizing stable power supply and carbon reduction by improving energy efficiency in manufacturing and non-manufacturing facilities through equipment operation optimization and the introduction of smart lighting, while also strengthening cooperation to secure carbon-free energy through Power Purchase Agreements (PPAs) and the expansion of solar power facilities.

### Power Usage Reduction

**Manufacturing Facilities** We reduce Scope 2 emissions by lowering power consumption via low-power operation of equipment, optimization of control conditions, and introduction of low-power equipment. We selected equipment with high power consumption for each process, analyzed operating patterns, and applied improvement measures for equipment and infrastructure operational efficiency. We analyzed the actual operating conditions of the Ultra Pure Water (UPW) supply facility to derive optimal operating conditions. Based on this, we reduced energy loss by adjusting the number of operating pumps and valve opening conditions, and improved power consumption by shutting down certain unnecessary pump operations.

#### UPW Supply System Production Process Flow Chart



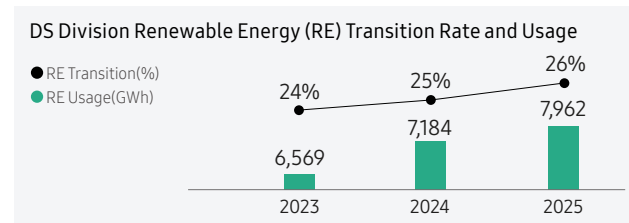
We applied an energy valve function to the chilled water return piping of the air handling units (AHUs), and after improving the facility monitoring system and interface program, we introduced control based on flow rate and temperature difference (Delta T). As a result, chilled water heat exchange efficiency improved, and chilled water consumption decreased by approximately 70%. In addition, by lowering the pump inverter rotation speed and raising the return temperature of the chilled water, we also reduced power consumption and the operational load on chillers. In addition, high-efficiency BLDC<sup>1)</sup> motors and feedback control were applied to the FFU<sup>2)</sup> to reduce the number of HEPA<sup>3)</sup> fans, and equipment standby power was also reduced by switching unused modules to a non-operational state during low-temperature process transitions.

1) Brushless Direct Current 2) Fan Filter Unit 3) High Efficiency Particulate Air

**Non-Manufacturing Facilities** We have been expanding the introduction of smart lighting systems, starting with selected parking towers in 2024. In 2025, we installed a cumulative total of 17,000 smart lights across all parking towers at the Giheung, Hwaseong, and Pyeongtaek sites. Smart lighting automatically controls illuminance by time of day based on natural lighting, enhancing energy efficiency in non-manufacturing facilities and contributing to reduced power consumption.

### Renewable Energy Transition

We have maintained 100% renewable energy for our global manufacturing and non-manufacturing business sites since 2020, and are also gradually increasing the energy transition rate of our Korean business sites.



In 2025, we further expanded our portfolio by signing 6 new Korean PPAs worth a total of 252 MW. To date, we have signed a total of 11 PPAs worth a total of 681 MW, expanding the scope of our renewable energy procurement.

We are also continuing our transition efforts at overseas sites. Our U.S. sites are driving the renewable energy transition by utilizing PPAs and Renewable Energy Certificates (RECs), and our Taylor site, which is scheduled to begin operations soon, aims to transition 100% of its electricity usage through the phased expansion of procurement. Our Chinese sites are also pursuing a transition to renewable energy through the purchase of RECs and the expansion of solar power facilities.

In addition, in 2025, we added 1.2 MW of solar self-generation capacity at five Korean sites and 2.0 MW at overseas sites (USA, China), expanding the cumulative capacity to 7.6 MW. As a result, we directly produced and used 5.7 GWh of electricity, and also operated a geothermal heating and cooling facility with a capacity of 1,803 RT<sup>1)</sup> to reduce energy consumption and carbon emissions.

1) Ton of Refrigeration

### Efforts to Secure Energy

The increase in AI has led to a surge in demand for data centers, and consequently, the demand for semiconductors is also increasing rapidly.

In this process, as power demand for both data center operations and semiconductor production has expanded significantly, securing large-scale, stable, and economical carbon-free energy has emerged as a key requirement common to both industries.

Big Tech clients operating data centers are procuring carbon-free energy (including renewable energy) to meet their power demands and reduce their carbon footprint, and they are demanding that our company, as a supplier, reduce carbon emissions by supplying products utilizing carbon-free energy. To respond to this, we are expanding the use of renewable energy while simultaneously considering carbon reduction measures utilizing carbon-free energy recognized by our clients.

We are pursuing joint academic-industry initiatives to diversify carbon reduction methods that meet client demands. In 2025, we carried out 4 projects with Seoul National University, Hanyang University, and others, on the theme of carbon-free energy transition and policy. Furthermore, by serving as a member of the Board and Working Group of the Korean government-led CF Alliance, we actively participated in discussions regarding the establishment of international technical standards related to carbon-free energy and the design of certification systems.

#### Collaborative Efforts on Climate Action

We take the lead in climate change response by communicating with various stakeholders, collaborating with companies within the semiconductor supply chain, and participating in Korean and global initiatives.

##### Initiative

- ACEC<sup>1)</sup> South Korea Working Group, CF Alliance Global Working Group
- SCC<sup>2)</sup> founding member, Working Group
- EC<sup>3)</sup> Board of Directors Activities and Working Group
- CF Alliance Board and Working Group, Discussed International Standards and Certification Framework for Carbon-Free Energy
- Monitoring international standard trends and expressing opinions through participation in WBCSD<sup>4)</sup>

##### Policy Engagement

- Gyeonggi Province-Semiconductor Company Renewable Energy Memorandum of Understanding (MoU): Signing of a partnership to improve conditions for renewable energy adoption and expand procurement for semiconductor companies in the province
- Updating of Power Emission Factors<sup>5)</sup>: Completed improvements through industry-academia research and the presentation of industry opinions via the Semiconductor Association to strengthen corporate response to carbon regulations

1) Asia Clean Energy Coalition 2) Semiconductor Climate Consortium  
3) Energy Collaborative 4) World Business Council for Sustainable Development  
5) Reduced electricity emission factor update cycle (3 years → 1 year), the 1-year average electricity emission factor is scheduled to be announced

## Value Chain Carbon Reduction

We strengthen our carbon reduction framework across the entire value chain, focusing on supply chain management, product environmental impact assessment, and low-power products & process development. We are expanding the foundation for Scope 3 emission reduction by enhancing the reduction capabilities of our partners, advancing Product Carbon Footprint (PCF) based management, and improving semiconductor product & process power efficiency. Moving forward, we plan to continue building a sustainable value chain based on stakeholder cooperation and technological innovation.

### Supplier Greenhouse Gas Reduction Activities

We systematically manage suppliers with high emission proportions by designating them as priority management targets based on product-level PCF analysis results. Since 2025, we internalized the emission calculation and verification process through a procurement data linked system.

We have established greenhouse gas reduction targets in collaboration with key suppliers and are regularly monitoring their implementation status. As a result of reflecting the establishment of these targets and the level of execution in our comprehensive supplier evaluations and greenhouse gas assessments, 82% of our key suppliers have established reduction targets as of 2025. Furthermore, we regularly operate management meetings, seminars, and technical exchange sessions for working-level staff to share the importance of Scope 3 emission reduction and provide practical examples applicable in the field, such as improving electrical efficiency, switching fuels, and optimizing processes. In addition, we are supporting our suppliers in identifying reduction initiatives and making related investments through greenhouse gas management training, one-on-one on-site consulting, and interest-free loans utilizing an ESG fund totaling 0.8 trillion KRW.

## Semiconductor Product Carbon Reduction

### Semiconductor Product Life Cycle Assessment (LCA) Process

We established an LCA process based on ISO 14040, 14044, and 14067 international standards to assess the environmental impact of semiconductor products and calculate our carbon footprint. Since the semiconductor manufacturing process has a significant impact on climate change due to high consumption of electricity and process gases, carbon footprint was selected as a major environmental impact category. The system boundary was defined as cradle-to-gate from the extraction of raw materials to the distribution of the product.

We utilized the Life Cycle Inventory Database (LCI DB) to calculate energy inputs and carbon emissions for the raw material extraction and processing stages while constructing a greenhouse gas inventory based on inputs and outputs throughout the entire process to derive carbon emissions at the product level for the manufacturing stage. Moving forward, we plan to refine reduction strategies centered on major emission sources based on the LCA analysis results and gradually establish a comprehensive management system encompassing various environmental impact categories, such as water and resources, in addition to carbon. The DS Division participated in the National LCI DB development project led by the Korea Environmental Industry & Technology Institute (KEITI) to cooperate in building foundational data for LCA in the semiconductor industry. In the future, the foundational data developed through this project will be registered on the Global LCA Data Access Network (GLAD) in the International Life Cycle Data (ILCD) format and utilized for LCA in the semiconductor industry.

### Development and Operation of Product Carbon Footprint (PCF) System

We established and operate an automated system for calculating the PCF of semiconductor products. Through the LCA process, PCF is calculated by utilizing activity data, such as raw material input, energy consumption, and waste generation, along with emission factors from the LCI DB.

We identify detailed unit emissions by facility and process based on the calculation results and are establishing reduction measures centered on major emission sources. The data and logic applied to the system are periodically updated<sup>1)</sup>, and in the event of major changes, we ensure reliability by obtaining verification<sup>2)</sup> of the calculation methodology and the entire system from a third-party organization.

We plan to continuously improve the data quality of the PCF<sup>3)</sup> by supporting suppliers in directly calculating and providing PCF for raw materials supplied to the DS Division, and by reflecting this in the system instead of the LCI DB to gradually increase the proportion of primary data.

1) GWP in the Greenhouse Gas Inventory and LCI DB complies with IPCC 2019 and AR6

2) Verification of compliance with international standards and guidelines, such as ISO 14040, 14044, 14067, and the GHG Protocol

3) Primary data utilization rate as defined by the WBCSD PACT Methodology

[Third-Party LCA Validation Report](#) 

### Case Study: IMEC Collaboration

The DS Division and the Interuniversity Microelectronics Centre (IMEC) strategically partnered to structurally reduce the semiconductor supply chain's environmental burden. To address the growing environmental impact of manufacturing processes, the DS Division participated in the IMEC SSTS<sup>1)</sup> program in 2023, incorporating sustainability from the design stage. In the SSTS, companies across the value chain share actual process data to create carbon emission simulation models and jointly review process, equipment, and system technologies capable of reducing environmental impact. In 2025, the DS Division and IMEC improved the carbon emission calculation framework to enhance the accuracy and consistency of evaluation results. We also support developing next-generation processes that simultaneously reduce energy and water consumption and GHG emissions by presenting a manufacturer's perspective to IMEC's research on eco-friendly processes.

1) Sustainable Semiconductor Technologies and Systems

## Low-Power Semiconductor Products and Processes

Under our New Environmental Strategy of 2022, the DS Division established reduction plan for memory products power consumption and continuously made efforts to achieve this goal. We build on these efforts and timely supply HBM4<sup>1)</sup> and PM1763<sup>2)</sup>, which saw power efficiency improvements over previous generations. We will continue to take on the challenge of improving power consumption relative to data processing performance by developing products incorporating differentiated technologies beyond process scaling. Leveraging our integrated semiconductor capabilities across memory, foundry, and advanced packaging, we have set targets to improve the energy efficiency of HBM and server SSDs by 2.5 times and 4 times, respectively, by 2030 compared to 2025 levels. Through these efforts, we will continue to provide optimized solutions for customers' next-generation AI infrastructure.

We are also improving the power consumption of non-memory products. Based on the industry's first 2nm GAA<sup>3)</sup> process, the Exynos 2600 integrates a powerful CPU<sup>4)</sup>, NPU<sup>5)</sup>, and GPU<sup>6)</sup> into a single compact chip to provide a new and enhanced mobile experience. This allows users to enjoy more features with less energy. We are contributing to improved power efficiency through process technology innovation. By utilizing the EUV process to form fine patterns and applying GAA structure transistors in sub-3nm ultra-fine processes to stably lower operating voltage, we strived to reduce power consumption during the production phase of our customers' products by improving power efficiency in terms of process.

1) 40% improvement in power efficiency compared to the previous generation (HBM3E)

2) 60% improvement in power efficiency compared to the previous generation (PM1753)

3) Gate-All-Around, a next-generation transistor structure technology

4) Central Processing Unit 5) Neural Processing Unit 6) Graphics Processing Unit

## Strategy

The DS Division established a detailed sorting and management system for non-recyclable waste across five Korean sites and is continuously expanding the range of recyclable items by identifying various recycling technologies and processing partners. We strengthened our resource circularity structure by reusing materials and components used in semiconductor manufacturing or converting them into high-value resources, and also expanded the scope of recycled material utilization, such as recycling waste aluminum for product cases and applying paper and recycled materials to packaging. We are improving both systems and on-site operations with the goal of achieving a waste recycling rate<sup>1)</sup> of 99.9% by 2030 across our 5 Korean manufacturing sites (Giheung, Hwaseong, Pyeongtaek, Cheonan, and Onyang). Recognizing waste not merely as a subject for disposal but as a resource, we manage waste in order of priority of 'minimizing non-recyclables → expanding recycling → upgrading recycling processing methods to high value ones → turning semiconductor materials into resources.' Thanks to these efforts, all Korean business sites have obtained ZWTL (Zero Waste to Landfill) Platinum grade, and the number of Recycled Resource Certification<sup>2)</sup> acquired since 2019 has reached a total of 28 as of 2025. In the future, we plan to continuously enhance our internal and external management indicators by reflecting changes in Korean and global regulations and policies related to resource circularity.

1) Korean legal standards

2) Issued by the Minister of Environment if environmental, economic, and technical feasibility under the "Framework Act on Resource Circulation" is met

<p><b>Minimize Environmental Impact</b></p> <ul style="list-style-type: none"> <li>Transition nonrecyclable waste into recyclable waste - secure waste disposal service providers and apply new technologies</li> </ul>	<p><b>Expansion of Recognition for Circular Resources</b></p> <ul style="list-style-type: none"> <li>Expand Circular Resource Use Product Certification through waste resource transition</li> </ul>
<p><b>Transition Semiconductor Materials into Resources</b></p> <ul style="list-style-type: none"> <li>Apply recycling technology in-house/externally (in Fabs/Intrastructures)</li> </ul>	<p><b>Products/Packaging Management</b></p> <ul style="list-style-type: none"> <li>Reduce product packaging, improve ease of recycling, review impact of recycled material use increase</li> </ul>
<p><b>Create Value from Circular Resources</b></p> <ul style="list-style-type: none"> <li>Reuse/recycle waste from other industries to create value from manufacturing/production expandables</li> </ul>	

## Risk Management

We operate a resource circularity risk management process based on waste management priority principles to minimize environmental and regulatory risks that may arise during the resource circularity activities. We aim to systematically reduce environmental impact through a step-by-step management system ranging from product design for waste minimization to reuse and recycling.

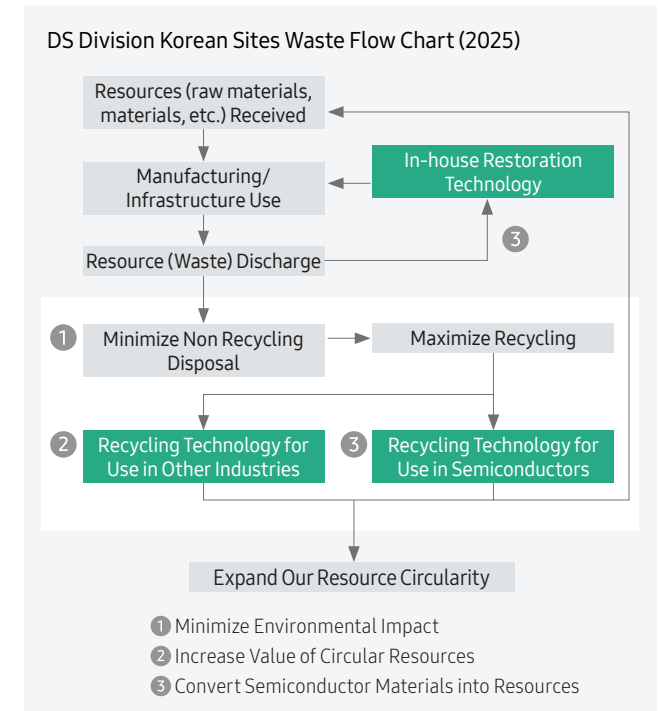
In particular, by progressively improving the level of resource circulation strategies at each stage, we are reducing reliance on landfill and disposal while increasing resource utilization efficiency. Furthermore, since 2021 and in collaboration with external professional bodies, we have been regularly inspecting the appropriateness of treatment methods and compliance with relevant regulations for waste treatment suppliers, and providing consulting services to share best management practices. Through this, we are strengthening the overall level of resource circulation management by continuously improving inspection items to reflect internal management standards and amendments to relevant regulations.

We comprehensively evaluate economic, technical, and environmental impacts to select and implement specific response measures, such as reducing product production costs through material recycling and developing technologies to improve waste treatment efficiency, in order to mitigate waste management risks and create opportunities for material resource recovery. All projects are systematically reviewed and managed through internal review committees.

### Circular Resource Risk Management Process

<b>Design Products to Minimize Waste Generation</b>	Promote the proactive reduction of waste generation during the production processing and design phases
<b>Reuse</b>	Reduce new resource input and waste generation through expanded resource reuse within processes or between sites
<b>Recycle</b>	Enhance resource value through the expansion of 1) the conversion of recyclable waste into circular resources and 2) recycling in concert with external industries

## Activities



**Integrated Platinum Grade Zero Waste to Landfill Validation**

The DS Division has undergone an integrated 'Zero Waste to Landfill' validation with UL Solutions, a global environmental and safety certification organization. We continued various efforts to minimize our WtE<sup>1)</sup> by recycling single-use items that were previously incinerated, improving our sorting systems, and adopting reusable items. In recognition of these efforts, we obtained an integrated Platinum grade, the highest level of UL Solutions' Zero Waste to Landfill validation, for all our sites in 2024 and 2025. We plan to maintain this integrated Platinum grade by for all our sites in 2026 as well.

1) Waste to Energy: Renewable fuel and energy recovery incineration

## Minimizing Environmental Impact

### Transitioning Non-Recyclable Waste into Recyclable Waste

We have expanded our recycling efforts by revising waste classification standards and treatment processes for waste previously managed through incineration, neutralization, or solidification. This includes subdividing mixed waste to identify recyclable materials and applying suitable recycling technologies and channels, resulting in a 99.3% recycling rate at our Korean sites<sup>1)</sup> in 2025.

1) Giheung, Hwaseong, Pyeongtaek, Cheonan, Onyang sites

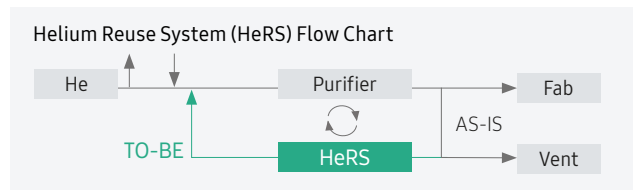
#### Best Practice: PVC Pipes

PVC pipe materials that had previously been incinerated were separated and sorted, and suitable recyclers were identified and assigned to recycle these materials. As a result, incineration-related emissions were reduced by approximately 36%.

## Resource Recovery From Semiconductor Materials

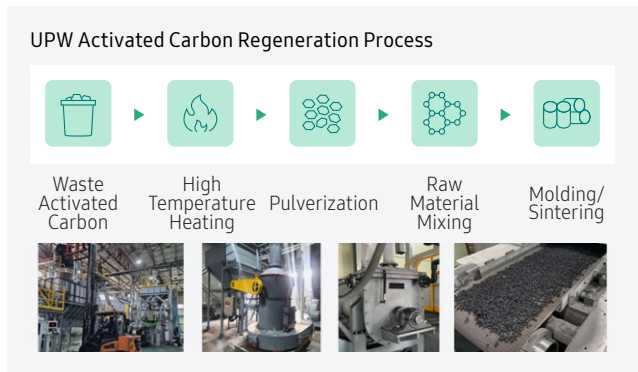
### Implementing In-house Recycling Technology (Fab Materials)

The DS Division has established an in-house regeneration technology system for semiconductor process materials to partially replace new purchases and secure supply chain stability. We developed the industry's first system for capturing, purifying, and reusing high-purity exhaust helium generated during the production process using helium, a core material. As of 2025, this system has been applied to one production line, generating an annual helium saving of approximately 4.7 tonnes. We are pursuing the expanded adoption of regeneration technology for key process materials with supply chain risks through a supply-and-demand analysis.



### Implementing External Recycling Technologies (Infrastructure Materials)

We identified a company possessing activated carbon regeneration technology used in wastewater treatment processes and low-concentration odor removal, and applied it to our facilities. Through this, approximately 90% of the existing activated carbon incineration volume was converted to recycling. We additionally secured revenue by switching the disposal practice for UPW manufacturing use activated carbon and commercially selling them.

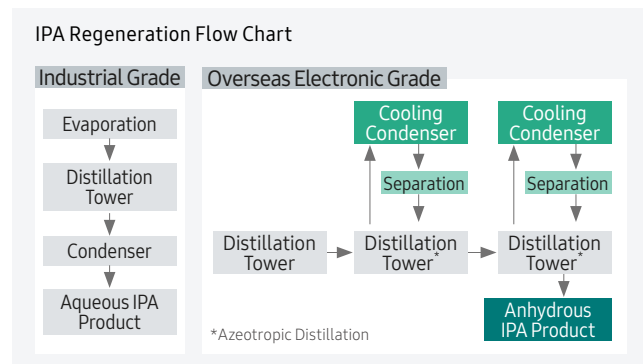


## Create Value from Circular Resources

### Recycling and Reuse in Other Industries

We established a resource circularity strategy to convert waste resources from other industries into high-value resources through recycling, high-purity purification, and material conversion technologies. As part of these efforts, waste wafer trays generated during semiconductor production were recovered and reprocessed into recycled plastic, then applied to the side keys and USIM trays of the Galaxy S25 series, further strengthening circularity between the DS and DX Divisions. We also developed a business model to recycle waste IPA<sup>1)</sup> from semiconductor cleaning processes into high-value anhydrous IPA at an overseas electronic-grade<sup>2)</sup> level by applying high-purity purification technology based on azeotropic distillation. Through these initiatives, waste IPA has been recycled into industrial-grade and overseas electronic-grade IPA, increasing the value of process waste resources and reinforcing our resource circularity system.

1) Isopropyl Alcohol 2) Highest purity quality standards suitable for direct input into semiconductor and display manufacturing processes



## Expanding Recognition of Circular Resource

Since its introduction in 2018, the Circular Resource Certification Policy has been operating as a system that reclassifies waste meeting the standards under the "Act on Promotion of Transition to a Circular Economy and Society"<sup>1)</sup>, as 'resources' partially exempting them from waste management regulations. We continuously acquired the Quality Mark Certification for Circular Resources by applying the relevant system since 2019, and as of 2025, have secured a cumulative total of 28 certificates across all business sites, converting approximately 4,867 tonnes of waste into resources. We plan to continue identifying waste resource candidates that consider both economic and environmental factors, and gradually expand the scope of wastes recognized as resources in the future.

1) The 「Act on Promotion of Transition to a Circular Economy and Society」, fully amended and replaced the 「Framework Act on Resource Circulation」 on December 31st, 2022, and has been in effect since 2024.

### Products/Packaging Management

We continuously monitor packaging regulatory trends in major markets, including the EU, and comprehensively review their impact on reducing product packaging materials, enhancing recyclability, and expanding the use of recycled materials. We are also establishing a roadmap to respond to regulatory changes.

### Application of Recycled Aluminum in SSD Products

Since 2024, we have been applying recycled aluminum to the Portable Solid State Drive (SSD) T7 Shield product case, and expanded its application to the case of the Portable SSD T7 Resurrected in 2025. The SSD T7 Resurrected case received recycled material certification from TÜV<sup>1)</sup>.

1) A leading German private certification provider

### Transition to Paper Packaging

We sequentially switched consumer SSD packaging trays to paper materials to reduce product plastic packaging waste. In 2020, we transitioned from plastic trays to paper trays for consumer SSDs. We completed transitions to paper trays for portable SSDs and Heatsink products in 2023 and for 2.5" products in 2024. We plan to expand our transition to paper trays for M.2 SSD products in 2026.

### Expansion of Recycled Material Certified Packaging

We received ISO-14021 based recycled material certification from Intertek<sup>1)</sup> for the recycled content in the plastic trays of component products in 2024 and have maintained this certification in 2025.

1) A UK-based global inspection and certification organization

## Strategy

Even as water demand is expected to rise with the expansion of production lines, we have set a goal to maintain water withdrawal at 2021 levels by 2030 across 5 Korean manufacturing sites, as reflected in the New Environmental Strategy announced in 2022. To achieve this, we are systemically reducing water use by introducing high-efficiency equipment, expanding water reuse in cleaning processes, and optimizing cooling water systems. Additionally, we are strengthening our water circularity by expanding reuse facilities and working with local communities and governments to secure treated sewage water as a stable alternative source. Beyond on-site reduction and reuse, we are promoting Water Positive activities through external cooperation to expand our water replenishment efforts.



### Water Use Reduction

- Optimize equipment cleaning processes, improve processes, and maximize equipment efficiency.



### Water Reuse Expansion

- Reuse water use in manufacturing processes and throughout internal treatment facilities



### Wastewater Reuse

- Promote treated wastewater reuse from local governments



### Replenishment Projects

- Establish external partnership projects that replenish local communities' water resources

## Risk Management

We annually review whether business sites are located in highly water-stressed areas and respond to identified major risks by establishing strategies and implementation tasks.

### Water Risk Management

We evaluated water stress and water risk areas faced by site by applying the Aqueduct Water Risk Atlas<sup>1)</sup>, a global water risk mapping tool, and identified 4 key risk factors.

1) Assessment of water resource quantity and quality data, policy, reputation risks, etc.

Identified risks were addressed by establishing mitigation strategies and incorporating them into the water resource management plans for each business site.

Site	Water Stress Level
Korea (Giheung/Hwaseong/Pyeongtaek/Cheonan/Onyang)	Medium-High
China (Xi'an/Suzhou)	Extremely high
China (Tianjin)	Medium-High
United States (Austin/Taylor)	Medium-High

### Water Risk and Responses Strategy

#### Drought, Water Shortage

- Diversify water sources such as establishing emergency supply systems
- Estimate potential losses from droughts

#### Increasing Korean Water Stress Index

- Review water stress/risks by site annually, establish response strategies

#### Water Depletion, Contamination

- Participate in World Water Day activities
- Prevent water risk occurrence, engage with local communities
- Introduce Water Positive concept, conduct water replenishment activities

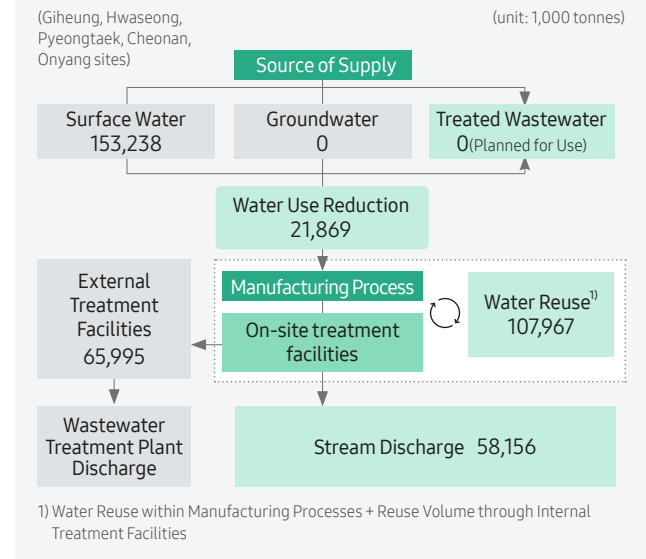
#### Water Related Regulations

- Monitor local environmental policies and regulations, manage by establishing internal standards using legal criteria as minimum requirements

## Activities

We prioritize reducing water withdrawal volume to conserve and replenish water resources, and operate a system for reusing wastewater. In addition, we are promoting "Water Positive" activities to return water lost due to evaporation to external sources. Furthermore, we plan to implement measures to purify and reuse effluent from local sewage treatment plants instead of using water from dams.

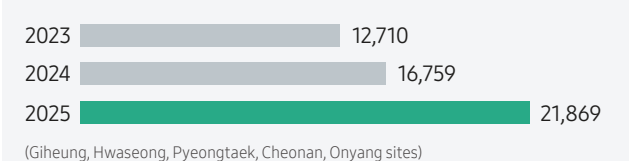
### Water Resource Flow Chart for DS Division's Korean Sites (2025)



### Water Use Reduction

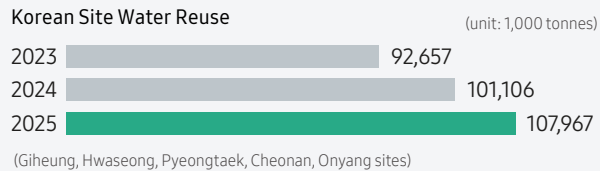
We reused the concentrated water generated in the process instead of treating it as wastewater, and operated efficiently by extending the water usage cycle. Through this expansion of reuse and optimization of the usage cycle, we reduced water usage by approximately 21.87 million tons in 2025.

### Korean Site Water Use Reduction

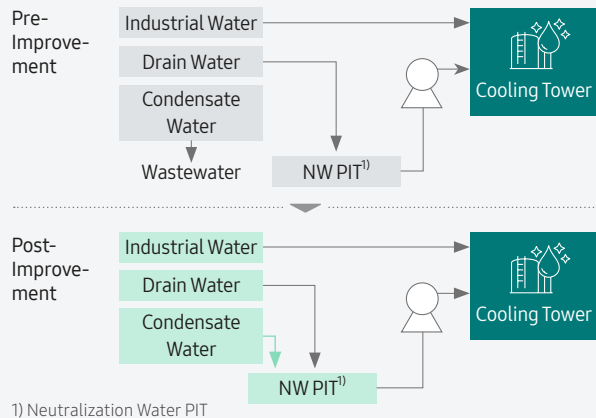


## Water Reuse Expansion

To reduce water withdrawal, we operate under a basic water resource management principle of water reuse rather than discharge after use. Wastewater generated in production processes is recovered and reprocessed for recycling as process cleaning water or utility water, and water quality is stably managed through in-house water purification and reuse facilities. Furthermore, condensation water from outdoor air handling units, previously treated as wastewater, was applied to a process improving water quality and modifying the supply system configuration in both new and existing lines. As a result, this water is now being reused as makeup water for cooling towers. In addition, by analyzing wastewater sources to assess reuse feasibility and expanding the scope of application, we reused approximately 108 million tonnes of water at Korean business sites in 2025.



### Condensate Reuse Process



## Wastewater Reuse

Currently, a significant volume of treated water is being discharged from wastewater treatment plants in Suwon, Hwaseong, and Osan, which are located near our business sites. We are pursuing a plan

to supply this discharged water as industrial water to our Giheung, Hwaseong, and Pyeongtaek sites after highly purifying it. To this end, we signed a business agreement in December 2024 for the "Gyeonggido Region Semiconductor Site Reclaimed Water Project (Phase 1)" with the Ministry of Environment and Gyeonggi Province, with the project review currently underway. We plan to fully introduce recycled wastewater starting in 2030 to maintain total water withdrawal volume at 2021 levels. Through this, we aim to reduce freshwater withdrawal and contribute to enhancing the sustainability of water resource utilization by revitalizing local water circulation.

## Replenishment Projects

We are pursuing Water Positive activities going beyond water conservation and reuse within the workplace, replenishing more water back to nature than we withdraw. Water used at sites is discharged after undergoing a thorough treatment process, and any unavoidable losses are additionally returned through external partnership projects, establishing a water resource management system that contributes to the local community.

As part of this strategy, we implemented the nation's first public-private-public partnership Water Positive project in collaboration with the Ministry of Climate and the Korea Water Resources Corporation in 2025. This project, conducted at the Sinpung Wetland upstream of the Jangheung Dam, focused on restoring the degraded purification functions of the wetland to improve the quality of water flowing into the dam and establishing a foundation for local residents to utilize safer and cleaner water resources. Through this, we secured an annual water replenishment effect of 3.85 million tonnes.

We subsequently signed a business agreement with the Ministry of Climate, the Ministry of National Defense, the Korea Water Resources Corporation, and the Korea Institute of Construction Technology for the 'Sand Dam' installation project to supply stable and clean water to the soldiers of the 7th Infantry Division in 2026. Moraesam is a facility that stores and purifies effluent using sand layers; as it can be installed even in confined spaces, it is a solution suitable for military units in mountainous regions. This project is planned for completion in 2027.

We plan to continue expanding our Water Positive business based on strategic cooperation with the government and public institutions, and contribute to enhancing the stability of water resource securing for local communities.

## Sinpung Wetland Groundbreaking Ceremony and Expected Aerial-View Post-Restoration

Ground-breaking Ceremony



Expected Aerial-View Post-Restoration

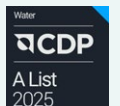


## Conceptual Diagram, 7th Division Sand Dam Installation



### Special Recognition: CDP Water A Rating

Samsung Electronics was selected as a 2025 'A-List' company by the Carbon Disclosure Project (CDP), a global sustainability assessment organization, after receiving the highest grade of A, in the water management category.



## Strategy

The DS Division established internal management standards and operates systematically based on the fundamental principle of complying with Korean and global regulations regarding the emission of water and air pollutants. In accordance with our New Environmental Strategy of 2022, we have set a mid-to long-term goal to limit pollutant emissions to natural levels by 2040. To achieve this, we are promoting the reduction of pollutant emissions through the development and application of pollution reduction technologies at our facilities. Furthermore, we are continuing research on source technologies for air pollution reduction through our Air Science Research Center.

We also established a workplace environment safe from chemical accidents by conducting pre-assessments of all chemicals used on our sites and managing the entire process from receipt to disposal. We also strive to meet international standards by managing substances of concern within our products and to minimize the negative impact of our products on the environment and human health.



### Minimize Water and Air Pollutant Emissions

- Apply internal standards using legal criteria as minimum requirements on pollutant emissions and develop pollutant reduction technologies



### Safely Manage Chemical Substances

- Safely manage site chemical substances and enforce management of substances of concern in products

## Risk Management

We strictly adhere to chemical safety management standards by reviewing relevant laws and internal regulations to ensure strict compliance with chemical safety management standards before chemicals are introduced to our sites. We fundamentally block the entry of prohibited or restricted substances, as well as substances with high human health hazards, into the workplace by separately designating internally regulated substances. We also are continuously pursuing a reduction in chemical usage per unit of production through ongoing improvements to our processes.

### Pollutant Management Process



To mitigate external environmental impacts, chemicals used at our sites are managed under safety standards throughout the entire process, from separating substances by properties to proper treatment.

### Chemical Material Pre-assessment and Life Cycle Management Process



## Activities

### Minimize Water Pollutant Discharge

We manage our water pollutant discharges using internal standards that ensure full compliance with legal requirements<sup>1)</sup>. We implement optimal prevention technologies and manage wastewater treatment processes through a four-stage system, utilizing advanced wastewater treatment facilities to purify and discharge into local rivers. Additionally, to manage effluent pollutant concentrations in accordance to internal standards, a Central Control Room (CCR) monitors the entire wastewater treatment process and has automated all pollution treatment operations except for on-site valve manipulations in emergency response situations.

We aim to manage pollutant emissions to a level close to natural conditions in the long term by developing and applying pollutant reduction technologies to minimize the environmental impact caused by the discharge of aquatic pollutants.

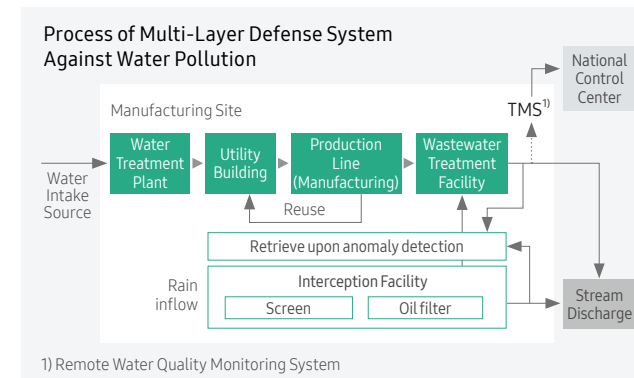
To reduce chemical usage, we are modifying process recipes, reusing chemicals from production processes in other facilities, and researching and developing filter technologies that can selectively separate and remove target substances.

Additionally, we continuously improve our treatment efficiency by optimizing processes for the best prevention technologies applied in wastewater treatment. Efforts are also being made to replace hazardous substances.

1) Act on the Integrated Control of Pollutant-discharging Facilities

### Constructing a Multi-Layer Defense System Against Water Pollution

We have installed triple interception facilities across the 'inflow - process - discharge' stages of our wastewater treatment facilities to prepare for potential environmental accidents. Each interception facility operates according to a multi-layered defense mechanism, which triggers emergency recovery if the pollutant concentrations exceed set levels based on real-time monitoring. This ensures prevention of untreated wastewater discharge into streams. Specifically, at the Austin facility in the United States, a retention pond has been installed upstream of the stream discharge outlet, equipped with a real-time pollutant monitoring system. If untreated pollutants are detected, the discharge outlet is automatically blocked and environmental impacts from wastewater leakage are prevented in advance.



1) Remote Water Quality Monitoring System

## Minimizing Air Pollutant Emissions

We manage our air pollutant emissions using internal standards that ensure full compliance with legal requirements<sup>1)</sup> as a minimum. We apply optimal prevention technologies related to air quality and have established multi-stage treatment systems (1-3 stages) tailored to the characteristics of pollutants. To prepare for potential environmental accidents related to air pollutants, we installed backup treatment facilities across all production lines and operate a real-time monitoring system to proactively prevent issues. In addition, we developed and applied various treatment technologies to minimize the impact of air pollutants generated during the production process on the surrounding environment. In particular, to reduce nitrogen oxides (NOx), we introduced a wet treatment facility that combines ozone oxidation and absorption processes with an Ultra Low NOx Burner and Selective Catalytic Reduction (SCR) system.

We also replaced our existing boilers with a low-energy steam supply facility, and have established membrane-based adsorption technology and an integrated treatment technology with improved processing efficiency on a 300 CMM scale within the facility to perform technology verification. We are proceeding with subsequent developments.

1) Act on the Integrated Control of Pollutant-discharging Facilities

## Research on Fine Particulate Matter Reduction Technologies

Our Air Science Research Center (formerly the Fine Particulate Research Institute), established in January 2019, is pursuing the development of source technologies for new concept filters and air purification systems. We have conducted research to improve air purification performance by developing air purification filter technology capable of simultaneously removing fine particulate and harmful gases. Furthermore, considering the characteristics of air purification equipment that operates for extended periods, we have also embarked on the development of next-generation low-energy air purification technology. Currently, we have completed verification of concept and secured a fine particulate removal efficiency of over 99% in lab-scale experiments, and are continuing research to further improve our technology's energy efficiency.

Meanwhile, to establish an environmentally friendly facility, we conducted a pilot test at the Hwaseong plant through our air purification project (ShareAIR, Share the clean Air) to verify the

feasibility of applying air purification technology developed in the laboratory on the field. We confirmed in this exercise a fine particulate removal efficiency of approximately 98% in an actual operating environment, and we are currently expanding the scope of application to DS Division supplier sites to verify long-term performance.

## Chemical Safety Management

We manage all chemical substances used across all business sites in accordance with relevant national regulations and our internal "Controlled Substance List", controlling their use purpose and application scope. In addition, we implemented various safety management activities to ensure that employees and suppliers can use chemicals safely under optimal working conditions.

## Reinforce Site Chemical Substance Safety Management

We make every effort to prevent accidents by enhancing the chemical safety management system across all our facilities. By operating legal impact assessments and chemical pre-assessments, we continuously monitor Korean and global environmental regulatory trends and strictly comply with relevant requirements. We also fundamentally block the entry of legally prohibited or restricted substances, as well as substances hazardous to human health, into our facilities by separately designating regulated substances within the company.

In addition, we conduct risk assessments for all high-risk chemical-related tasks before work begins and eliminate accident risk factors in advance by proactively identifying and improving tasks and areas with high risk of chemical leaks. We particularly improved the materials of chemical supply pipelines and developed and applied automation and unmanned technologies to high-risk tasks such as chemical injection through our "Leak TF" activities, thereby minimizing the risk of worker exposure and the possibility of accidents.

We also conducted regular training for employees and suppliers on the safe handling of chemicals. The Emergency Response Team (ERT), responsible for the initial response in the event of an emergency, regularly conducts gas and chemical response drills, including specialized training for chemical accidents in preparation for chemical leaks, strives to prevent chemical accidents, and strengthens our rapid response capabilities.

### Reinforce Chemical Control

- Assess operational risks
- Upgrade chemical supply piping materials
- Automate chemical injection
- Establish early detection and alert systems for leaks

### Chemical Safety Management Activities

- Regularly train employees and suppliers
- Operate advanced chemical safety and accident prevention training programs
- Provide specialized training for the emergency response organization on chemical leak response

## Management of Substances of Concern in Products

We established and operate Standards for Control of Substances Used in Products to meet international environmental regulations and stakeholder requirements while minimizing potential impacts on the environment and human health. Based on this, hazardous and concerning substances that may remain in products are managed according to systematic standards.

### DS Division Standards for Control of Substances Used in Products

All our products comply with global regulations, including the EU Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS), EU Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), Halogen-Free Standards, and the Toxic Substances Control Act (TSCA). Furthermore, by operating a systematic import management and inspection process from the raw material receiving stage to the shipment of finished products, we identify and minimize risks related to hazardous and concerning substances in our products in advance.

### Declaration of Compliance for International Regulations

As global regulations on hazardous substances evolve and become more stringent, the need for specialized management has grown. We closely monitor international trends and proactively develop strategies to manage emerging substances of concern. In 2025, we conducted a comprehensive survey of PFAS<sup>1)</sup> usage across all raw material suppliers and are currently working to achieve PFAS-free status by identifying and implementing alternative substances. To ensure strict control of hazardous substance use within the supply chain, we operate the Eco-Partner certification program. This program verifies the supplier compliance with our internal standards and conducts audits of their environmental quality management system. Only certified suppliers are eligible for business through this program. We systematically manage environmental risks within the supply chain by entering into transactions exclusively with certified suppliers.

1) Per- and Polyfluoroalkyl Substances

## Strategy

DS Division acknowledges the significance of natural capital, which provides essential benefits such as water and food supply, climate regulation, pollution purification, and disaster prevention, and the biodiversity that sustains it, and strives to prevent environmental degradation and biodiversity loss. Based on the company-wide 'Biodiversity Conservation Policy' established in 2012, we identify and mitigate the impacts and risks that business activities pose to natural capital, even in an environment where production facilities and outputs are continuously increasing. We proactively monitor areas near Korean operations and analyze and manage natural capital impacts and risks based on the guidelines of the Taskforce on Nature-related Financial Disclosures (TNFD). Furthermore, we continue our efforts to conserve natural capital by collaborating with the government and local communities to expand ecosystem restoration, forestation, environmental cleanup, and biodiversity education activities.

## Risk Management

We assess natural capital risks in line with the TNFD recommended LEAP process, establishing mitigation strategies to manage identified risks.

### Natural Capital Risk Management Process (LEAP)

<b>Locate</b> Identify Spatial Interfaces with Nature	<ul style="list-style-type: none"> <li>Identify natural conditions within the site's impact zone through field surveys, literature reviews, and GIS-based (Geographic Information System based) spatial analysis</li> </ul>
<b>Evaluate</b> Assess nature-associated dependencies and impacts	<ul style="list-style-type: none"> <li>Identify high-priority management areas by determining healthy or sensitive ecosystems and the distribution of key species</li> <li>Analyze using global tools such as ENCORE and SBTN</li> </ul>
<b>Assess</b> Calculate integrated risk	<ul style="list-style-type: none"> <li>Identify natural capital risks in the DS division through evaluations by global tools such as WWF-RFS<sup>1)</sup>, employees, and experts</li> <li>Evaluate management status and mitigation strategies after identifying the characteristics of the identified natural capital risk factors</li> </ul>
<b>Prepare</b> Promote improvement activities	<ul style="list-style-type: none"> <li>Promote goal-oriented risk mitigation and biodiversity enhancement activities</li> <li>Minimize natural impacts based on SBTN AR3T methods</li> </ul>

1) Risk Filter Suite developed by the World Wide Fund for Nature (online platform provided)

## Locate: Identify spatial interfaces with nature

As nature is location-dependent, our natural risk management begins with identifying the spatial interfaces between corporate activities and related natural capital. We investigated and identified the status of ecosystems within a 15km radius of Korean and global business sites using global data such as the World Database on Protected Areas (WDPA), Key Biodiversity Areas (KBA), and the International Union for Conservation of Nature (IUCN) Red List. Additionally, for 5 Korean semiconductor sites (Giheung, Hwaseong, Cheonan, Pyeongtaek, and Onyang), we conducted our own field surveys to confirm the ecosystem health within a radius of approximately 5km (an area of about 2,010 km<sup>2</sup>), as well as the presence of endangered or invasive species. Intensive monitoring of discharge river ecosystems began at the Giheung site in 2006 and has been expanded to all Korean sites since 2023. Protected zones accounted for approximately 5% or more of areas near all Korean sites, a higher rate than that of global sites. The KBA applied only to the Asan Bay area near the Pyeongtaek site. 10 or fewer IUCN Red List endangered species were identified at the Giheung, Hwaseong, and SAS sites, while 10 or more species were recorded at all other sites. The proportion of mountainous areas ecosystems rated excellent was high near the Onyang site, and the most diverse range of Korean endangered species (4 species) was observed near the Pyeongtaek site. More than 6 invasive species were identified near all Korean sites, while most were plant species.

[Korean and Global Status of Business Site Interface with Nature](#)

## Evaluate: Assess nature-associated dependencies and impacts

We applied ENCORE<sup>1)</sup> and the SBTN Materiality Screening Tool<sup>2)</sup>, global analysis tools recommended by the TNFD, to identify the natural capital upon which semiconductor production activities depend and the impacts thereof. The analysis revealed that the semiconductor industry, including us, commonly exhibited a high dependence on water-related natural capital, specifically the supply of surface and groundwater, and water and air's purifying functions. The semiconductor industry's impact on natural capital was found to be pollutants discharged into water and soil, solid waste generated during the production process, and biodiversity disturbance caused by noise and vibration from factory operations.

1) Exploring Natural Capital Opportunities, Risks and Exposure: United Nations Environment Programme developed tool; evaluates the potential dependence and impact of a firm's industrial characteristics on natural capital. 2) Science Based Targets Network: Science-Based Goals Network (SBTN) provided tool; quantitatively evaluates major impact factors of corporate activities on natural capital and biodiversity by synthesizing severity, frequency, and other factors.

### DS Division's Natural Capital DIRO<sup>1)</sup> Table

Key Nature Risks	Nature Dependencies/Impacts	Risk Type	Opportunities	Response Status and Strategy
Water Supply	<ul style="list-style-type: none"> <li>Surface water and groundwater supply (dependency)</li> <li>Water purification (dependency)</li> </ul>	<ul style="list-style-type: none"> <li>Shortage and unstable supply of industrial water for semiconductors (physical)</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen water reuse technologies, reduce dependence on water resources</li> </ul>	<ul style="list-style-type: none"> <li>Introduce the concept of Water Positive, implement water restoration and replenishment projects</li> </ul>
Water Pollution	<ul style="list-style-type: none"> <li>Water purification (dependency)</li> <li>Water pollutant discharge (impact)</li> </ul>	<ul style="list-style-type: none"> <li>Increased purification burden and water treatment costs due to deterioration of industrial water quality (physical, transition)</li> <li>Water system pollution, reputational damage (transition)</li> </ul>	<ul style="list-style-type: none"> <li>Advance water treatment technologies</li> <li>Enhance brand value through aquatic ecosystem restoration</li> </ul>	<ul style="list-style-type: none"> <li>Restore aquatic ecosystems upstream of water withdrawal sources Monitor ecosystems in discharge receiving rivers</li> </ul>
Air Pollution	<ul style="list-style-type: none"> <li>Air purification (dependency)</li> <li>Air pollutant emissions (impact)</li> </ul>	<ul style="list-style-type: none"> <li>Increased costs for air conditioning facilities due to worsening air quality (physical, transition)</li> </ul>	<ul style="list-style-type: none"> <li>Reduce long-term treatment costs by advancing pollutant reduction technologies</li> </ul>	<ul style="list-style-type: none"> <li>Develop fine dust reduction technologies with the Air Science Research Center</li> <li>Apply integrated organic and alkaline treatment technologies</li> </ul>
Solid Waste	<ul style="list-style-type: none"> <li>Solid waste disposal (impact)</li> </ul>	<ul style="list-style-type: none"> <li>Unstable raw material supply due to strict international resource regulations (transition)</li> <li>Soil degradation, reputational damage (physical, transition)</li> </ul>	<ul style="list-style-type: none"> <li>Reduce resource procurement costs by expanding circular resources</li> </ul>	<ul style="list-style-type: none"> <li>Convert semiconductor materials into resources including high-purity helium capture</li> <li>Obtain Platinum Grade Zero Waste to Landfill validation for all sites</li> </ul>
Natural Disaster	<ul style="list-style-type: none"> <li>Climate regulation (dependency)</li> <li>Disaster mitigation (dependency)</li> </ul>	<ul style="list-style-type: none"> <li>Facility damage, logistics delays and operational impacts caused by disasters like typhoons, heat waves, etc. (physical)</li> </ul>	<ul style="list-style-type: none"> <li>Advance disaster prevention infrastructure,</li> </ul>	<ul style="list-style-type: none"> <li>Establish a Business Continuity Management System (BCMS)</li> <li>Establish emergency response processes for storms and flood</li> </ul>

1) A table proposed by TNFD linking firm-related natural capital Dependencies, Impacts, Risks, and Opportunities

## Assess: Calculate integrated risk

Unmanaged dependencies and impacts on natural capital can create financial risks. To assess natural capital risks related to semiconductor production, we used the WWF Biodiversity Risk Filter Suite (WWF-RFS), a TNFD-recommended global analysis tool. The assessment found that water supply and pollutant-related risks were commonly high across all sites, while natural disaster risks such as typhoons and heat waves were relatively high at Korean sites and the SAS site in the United States. Taking into account the WWF-RFS results, natural capital dependencies and impacts, site-specific characteristics, and feedback from employees and ecological experts, the division identified three key risks: water supply instability; water, air, and solid waste pollution; and natural disasters. Details on the characteristics and management status of each risk are provided in the DIRO table. We will continue to enhance our natural capital risk assessment system by expanding quantitative materiality assessment and supply chain analysis.

## Activities

### Prepare: Promote improvement activities

We adopted the SBTN-recommended AR3T framework: Avoid, Reduce, Restore and Regenerate, and Transform to minimize identified natural capital risks and prepare for potential future risks. We are reducing negative impacts on nature across the entire business process, including site development, operations, and stakeholder cooperation, based on this framework.

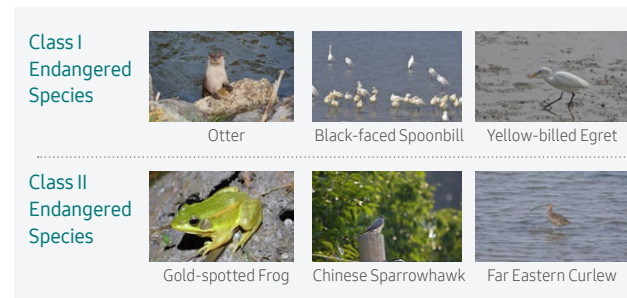
[Conservation of Stream Ecosystem Downstream of Facility Discharge](#)

### Avoid: Preventing Negative Impacts on Natural Capital in Advance

We conduct environmental impact assessments before construction to review potential impacts on the natural environment and prepare mitigation measures for new construction, expansion, and other semiconductor site development projects. In particular, projects are designed to avoid protected and ecologically significant areas wherever possible, reducing negative impacts on biodiversity, air, water resources, and other forms of natural capital.

### Reduce: Minimizing Unavoidable Impacts on Natural Capital

We are working to reduce water supply risks by maximizing water reuse in manufacturing processes and diversifying water sources through measures such as sewage reuse in partnership with local governments. To address pollutant-related risks, we manage wastewater and exhaust gas emissions in accordance with legal standards and continue to minimize environmental impacts by advancing wastewater treatment and introducing high-efficiency air pollution reduction facilities. These efforts have contributed to the confirmation of otters for two consecutive years in rivers receiving discharge from all Korean DS Division sites. Otters are Class I endangered wildlife in Korea, Natural Monument No. 330, and are recognized by the IUCN as an indicator species of healthy river ecosystems. Their continued presence indicates that highly treated discharge water from the DS Division supports the conservation of otter populations. We are also minimizing impacts from soil pollution and solid waste through Zero Waste to Landfill activities, with all Korean sites achieving Platinum-grade validation.



### Restore and Regenerate: Restoring Damaged Ecosystems to Create Positive Impacts on Natural Capital

We are expanding our biodiversity efforts in support of the Convention on Biological Diversity (CBD), the Kunming-Montreal Global Biodiversity Framework, and the Korean government's 5th National Biodiversity Strategy.

While previous efforts focused on minimizing negative impacts within semiconductor sites, we now extend our approach to conserving and restoring damaged natural environments beyond site boundaries, and have recently begun various conservation and restoration activities.

In 2025, our Korean sites, where the highest number of semiconductor production lines are concentrated, began a public-private natural environment restoration project to restore riparian ecosystems upstream of Paldang Lake and Daechong Lake, which are key sources of industrial water. Through this project, the Division aims to conserve more than 400,000 m<sup>2</sup> of ecosystem each year. Since 2024, the SCS site in China has also been working with the Shanxi provincial government to create the Samsung Public Forest, covering 600,000 m<sup>2</sup> over three years. In addition, Korean sites have established 1.34 million m<sup>2</sup> of green spaces, forests, and wetlands within their premises, helping strengthen ecological connectivity.

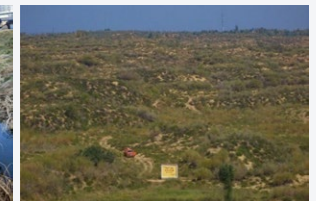
#### Tree Planting at Gyeongan Stream



#### One Company, One River Conservation Event



#### 2nd Phase of the SCS Site Samsung Public Forest Project



### Transform: Transitioning to Conservation Based on Stakeholder Cooperation

Recognizing Nature Positive transition requires collective action, we are promoting biodiversity enhancement activities together with various stakeholders, including national governments, local governments, local communities, and experts. As part of these efforts, employees at Korean sites carry out community-linked social contribution activities such as ecosystem monitoring, tree planting and conservation, natural environment cleanup, and biodiversity awareness education.

# People

We move together into the future while fulfilling our social responsibility.

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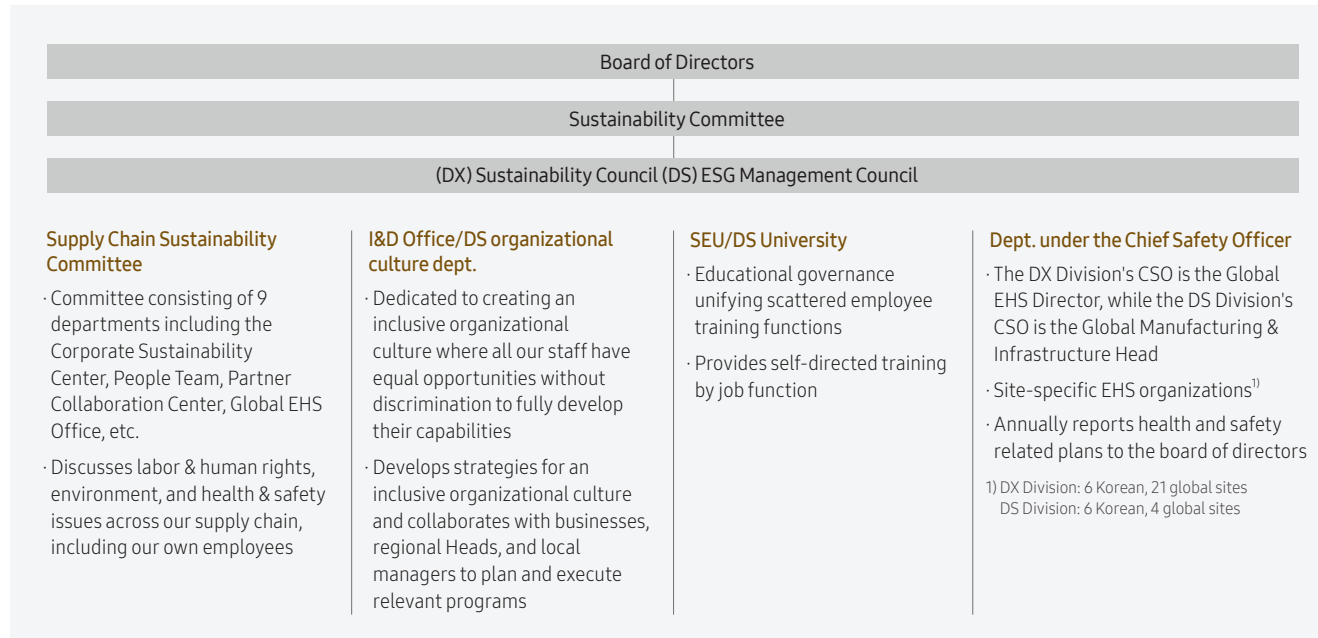
# Our People

## Governance

Samsung Electronics oversees and manages agendas such as labor and human rights, organizational culture, talent development, and health and safety across the business at various levels, led by the Sustainability Committee under the Board of Directors, the DX Division's Sustainability Council, the DS Division's ESG Management Council, and relevant interdepartmental councils.

The Sustainability Committee reviews the direction of our sustainability efforts to ensure that employee-relevant sustainability issues are considered an essential part of the decision-making process for business-related matters. This lets the Board more effectively oversee sustainability-related agenda items.

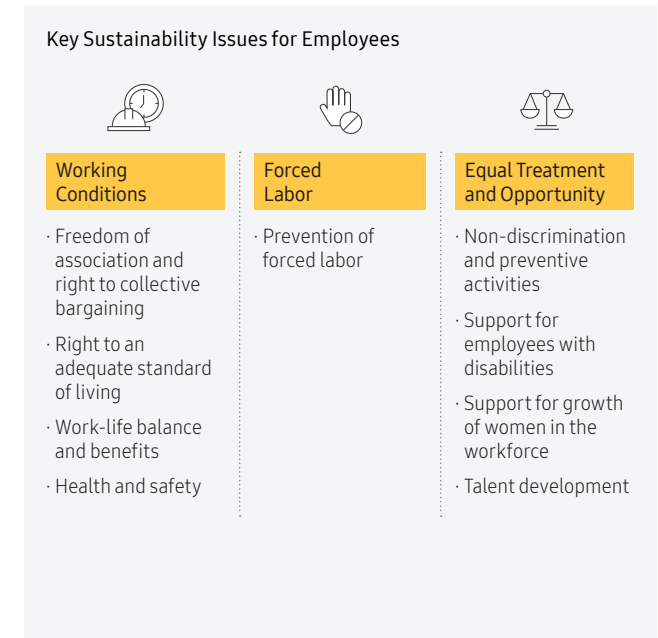
Implementation of employee-related policies is managed by dedicated councils and organizations such as the Supply Chain Sustainability Committee, Inclusion & Diversity Office (I&D Office), SEU (Samsung Electronics University), and DS University. The Supply Chain Sustainability Committee was launched in late 2025 to discuss sustainability issues across our supply chain including our own employees, being structured to address labor and human rights issues originally addressed in the Labor and Human Rights Council.



## Strategy

Samsung Electronics respects human rights, diversity, and inclusion based on its 'People First' corporate philosophy and strives to ensure that these values are reflected in our corporate practices. In addition, we promote improvement measures to foster a safe work environment and corporate culture conducive to work by actively supporting our staff's personal growth. We also conduct activities to expand positive impacts on and mitigate negative impacts from sustainability issues related to employees.

[Human Rights Management Mid-to Long-Term Goals](#)



# Risk Management

## Policy

Samsung Electronics respects and supports internationally recognized human rights standards. We published the 'Samsung Electronics Global Human Rights Principles' (the "Policy") which reflect our top management's commitment to respecting human rights. The Policy expresses our commitment to respecting and supporting the human rights of all individuals in accordance with international human rights standards and principles. The Policy is also a commitment to preventing human rights violations that may arise from our global business operations and providing effective remedies where harm has been caused. Additionally, the Policy outlines human rights governance for the management of 11 salient human rights impacts identified as actual or potential human rights risks to the company.

[Samsung Electronics Global Human Rights Principles](#) ⓘ  
[International Human Rights Standard](#) ⓘ



### **Samsung Electronics Code of Conduct** ⓘ

Samsung Electronics has established the 'Samsung Electronics Code of Conduct' based on the 'Samsung Business Principles' as part of our effort to comply with legal and ethical standards and fulfill our corporate mandates and social responsibilities. This code sets out the standards for employee behavior and values that employees should adhere to in all business activities.



### **Child Labor Prohibition Policy** ⓘ

We consider child labor to be a serious criminal act that is unacceptable at any stage of our business activities. We have established and are implementing a zero-tolerance policy against child labor, which is prohibited under international standards and laws.



### **Migrant Worker Policy** ⓘ

We protect the rights of migrant workers, who may be particularly vulnerable to the risks of human trafficking and forced labor, and maintain a zero-tolerance policy against recruitment fees charged to workers.



### **Anti-Discrimination and Harassment Policy** ⓘ

We do not discriminate against any current or prospective employees based on personal characteristics, including, but not limited to, gender identity, race, ethnicity, nationality, religion, age, marital status, and sexual orientation in HR decisions such as job assignment, promotion, compensation and disciplinary measures. We also explicitly address and seek to prevent harassment, which includes inappropriate, unwelcome behaviors and threats that result in physical, psychological, sexual, or economic harm. We base this policy on international human rights standards such as the UN Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights.



### **Global Grievance Resolution Policy** ⓘ

We have established the Global Grievance Resolution Policy to handle grievances in a fair and consistent manner. This policy sets out the standards for processing all grievances received by Samsung Electronics and covers grievance channels, procedures, and principles. We apply the following principles to facilitate grievance resolution between parties: a) adherence to the effectiveness criteria of grievance mechanisms outlined in the UN Guiding Principles on Business and Human Rights; b) prohibition of retaliation against whistle-blowers; c) protection of human rights defenders; d) confidentiality and data protection; and e) guaranteed participation in external grievance mechanisms.



### **Environment, Health & Safety Policy** ⓘ

Samsung Electronics operates its Environment, Health, and Safety (EHS) policy in accordance with our management principles prioritizing environmental, safety, and health considerations to provide a safe and healthy environment for all of its own and suppliers' employees and all visitors to our sites. We revised our policy in 2026 to subdivide the environmental and health & safety sectors, reflecting strengthened legal standards and global requirements.

## Human Rights Training

Samsung Electronics conducts annual human rights training to ensure that employees understand their rights and embed respect for human rights in all aspects of business activities.

### Training for Employees in General

Samsung Electronics conducts human rights training for all employees annually. The company-wide human rights training program covers basic understanding of human rights, corporate responsibilities to respect human rights, the integration of respect for human rights throughout business activities, employee rights in the workplace, and employee respect for human rights. At manufacturing sites, mandatory human rights training for all employees includes both offline and online courses, with the offline sessions conducted in the local languages. In 2025, 97.5% of all employees completed the general employee training, with online and offline completion rates standing at 95.6% and 100%, respectively.

### Training for Employees in Specific Roles

In 2021, Samsung Electronics introduced human rights training for role holders who work in areas closely related to human rights functions in the following departments: HR, security, administration, and procurement. Notably, human rights training for procurement personnel is conducted annually considering the importance of supply chains. Starting in 2025, tailored human rights training has been provided to due diligence officers at global manufacturing sites, sales offices, and research centers in line with strengthening global due diligence requirements. The 2025 due diligence officer training covered effective strategies to mitigate risk and implement human rights policies, which were set out during the regional Human Rights Risk Assessments (HRRAs) in 2024.

[Procurement Personnel Training](#) ⓘ

### Human Rights Champion Training

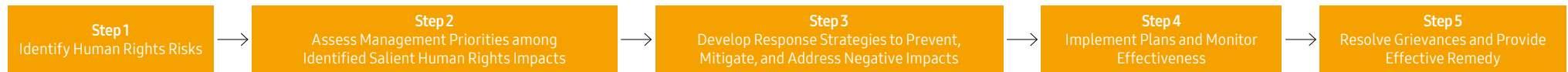
Since 2020, Samsung Electronics has designated approximately 70 employees in departments of human resources, employee relations, and Learning & Development (L&D) at our global locations as Human Rights Champions, providing them with training programs to share the importance of the corporate responsibility to respect human rights and best practices. In 2025, the Human Rights Champion training invited ILO experts to cover various topics including grievance policies and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

## Human Rights Due Diligence

Samsung Electronics strives to identify, prevent, mitigate, and address the negative impacts of our business activities on human rights. Through various human rights due diligence processes, including human rights risk assessments, third-party audits, and self-assessments, we identify potential and actual human rights risks and incorporate insights gained from these processes into our policies and systems.

In 2023, Samsung Electronics hosted our first Human Rights Stakeholder Workshop in collaboration with experts from the International Labour Organization (ILO), UN human rights experts, global NGOs, and labor unions to discuss our approach to human rights due diligence. We incorporated the feedback from the experts at the workshop into our human rights risk management process. In 2024, we began reviewing and improving our human rights risk management system to diligently fulfill the corporate human rights due diligence obligations being legislated in various countries. In 2025, we confirmed the implementation status of regionally established human rights risk management plans and had sales offices and research centers conduct self-assessments with checklists so they can establish their due diligence system.

### Human Rights Risk Management Process



Step 1

#### Identify Human Rights Risks

Samsung Electronics comprehensively analyzes human rights due diligence results, NGO reports, media articles, stakeholder dialogues, organizational culture assessment results, and employee grievances to identify salient human rights impacts. These were identified with a focus on their impact not only on the business but also on people, including internal and external stakeholders and rights holders and especially women, migrant workers, and minor workers, who may belong to vulnerable groups within the electronics industry. Through this process, we identified 11 salient human rights impacts, which were disclosed in the Samsung Electronics Global Human Rights Principles in February 2023.

[Samsung Electronics' salient human rights impacts](#)

Step 2

#### Assess Management Priorities among Identified Salient Human Rights Impacts

As a global company operating in roughly 70 countries worldwide, Samsung Electronics recognizes that the order of priority among human rights impacts may vary depending on the economic, political, and cultural characteristics of each region. Accordingly, the company conducted Human Rights Risk Assessments (HRRRA) on a regional basis for 52 DX Division subsidiaries across Europe, the Middle East, North America, Latin America, and Asia.

##### HRRRA Process

<p style="text-align: center; color: #e67e22;"><b>Assess salient human rights risks by site per region</b></p> <p style="text-align: center;">Have each site assess the severity and likelihood of its human rights risks</p>	<p style="text-align: center; color: #e67e22;"><b>Generate regional human rights risk heat map based on assessment results</b></p> <p style="text-align: center;">Categorize each risk into high/medium/low levels based on assessment results</p>	<p style="text-align: center; color: #e67e22;"><b>Operate regional workshops</b></p> <p style="text-align: center;">Have regional subsidiaries discuss the heat map's appropriateness and devise risk management plans</p>	<p style="text-align: center; color: #e67e22;"><b>Engage with external stakeholders</b></p> <p style="text-align: center;">Incorporate stakeholder feedback to finalize the heat map and the risk management plans</p>
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##### Human Rights Risk Assessment Standards

<p><b>Severity</b></p> <ul style="list-style-type: none"> <li>· <b>Scale:</b> Level of negative impact</li> <li>· <b>Scope:</b> Number of people affected</li> <li>· <b>Remediability:</b> Possibility of tackling the negative impact</li> </ul>	<p><b>Likelihood</b></p> <ul style="list-style-type: none"> <li>· <b>Business Strategy:</b> Specific business models and areas of operation may pose greater risks</li> <li>· <b>Business Relationships:</b> The human rights management capacity and level of interest of business partners</li> <li>· <b>Operational Context:</b> Environmental aspects of the region where the business operates</li> <li>· <b>Company Actions:</b> Whether risk prevention and mitigation measures are implemented</li> </ul>
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##### Heat Map Generation

Severity: High (dark orange), Medium (medium orange), Low (light orange). Likelihood: High (dark orange), Medium (medium orange), Low (light orange).

##### Workshop Process

##### Stakeholder Communication

Samsung Electronics Sustainability Report 2026

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▼  
Step 3

### Develop Response Strategies to Prevent, Mitigate, and Address Negative Impacts

Samsung Electronics has developed measures to prevent, mitigate, and address our 11 salient human rights impacts, using a heat map for reference. As the final step of the HRRA, we engaged with external stakeholders, including experts from international organizations, NGOs and academia, to gather feedback and discuss the measures to address human rights impacts in each region. We distributed these updated measures to all business sites in the 5 regions in December 2024. To ensure effective implementation of the response strategies, regional workshops were held in March 2025. During these workshops, we **shared** best practices from business sites that had successfully implemented response strategies and discussed challenges encountered during implementation. The workshops supported each site in diligently carrying out its human rights risk management plans. Due diligence checklists were created and distributed in 2025 Q3 to enhance regional human rights risk management plan implementation so that each site may systematically prepare for due diligence, with each site performing self-assessments.

[Examples of Samsung Electronics' major human rights impacts, affected stakeholders, and response activities](#)

▼  
Step 4

### Implement Plans and Monitor Effectiveness

Samsung Electronics strives to build systems that enable all business sites to manage human rights risks and monitor the effectiveness of the measures taken.

#### ① Labor Rights Risk Management System

Samsung Electronics upgraded our monitoring system, originally established in 2013 to support compliance with labor rights and corporate governance, to the Business & Human Rights Benchmark (BHRB) System in 2023. This system supports Samsung Electronics' DX Division manufacturing sites in complying with international human rights standards, such as the ILO Declaration on Fundamental Principles and Rights at Work and the UN Guiding Principles on Business and Human Rights.

Evaluation indicators consist of 4 major categories—labor rights, organizational culture, working environment, and diversity & inclusion—covering 33 items and 132 detailed indicators. We evaluate each site's yearly self-assessments and visit sites in need of improvement to conduct on-site human rights risks assessments.

Samsung Electronics has conducted BHRB evaluations for manufacturing sites starting in 2023. We issued consulting reports for each site, providing guidance on areas requiring improvement. In 2025, we conducted pilot assessments for 47 overseas sales and R&D sites using BHRB evaluation indicators. We plan to further identify site-specific improvement items based on evaluation results, improving on our human rights management practices.

#### ② Simplified Human Rights Impact Assessment

Samsung Electronics' internal labor and human rights experts carry out Simplified Human Rights Impact Assessments using a streamlined approach compared to third-party human rights impact assessments.

Our internal labor and human rights experts identify business sites in need of improvement, and take an in-depth look at the level of respect for labor and human rights in the country of operation, the organizational culture assessment results, grievances received, workforce changes, potential violations of company policies, and previously identified human rights risks.

The assessment includes interviews with vulnerable groups within sites such as women, migrant workers, and minor workers as well as interviews with local external stakeholders. The assessment evaluates potential and actual human rights impacts resulting from business activities for internal/external rights holders including vulnerable groups, develops measures to prevent, mitigate, and address identified impacts, and tracks their implementation.

The 2025 assessment comprehensively considered BHRB evaluation results and labor & human rights risks for 6 sites. Initial and on-site inspections were carried out over approximately 3 months; confirmed issues were immediately addressed, alongside the adoption of processes and systems to prevent recurrences.

#### ③ Topic-Specific Assessments

We have created a topic-specific assessment tool that complies with international standards for vulnerable groups within the company such as migrant workers and female employees, and are conducted on-site inspections. Notably, we implement yearly migrant worker audits for sites employing migrant workers, using the Responsible Business Alliance (RBA) audit standards and key industry references to verify compliance with migrant worker policies and Samsung Electronics policy implementation guidelines.

#### ④ RBA Validated Assessment Program (VAP)

Samsung Electronics, as a member of the Responsible Business Alliance (RBA), supports the RBA's vision and goals in its global operations and strives to comply with the RBA Code of Conduct. The RBA Code of Conduct is based on international norms and standards including the Universal Declaration of Human Rights and ILO International Labor Standards, and is regularly updated to reflect changes in international standards. Samsung Electronics' manufacturing sites conduct annual RBA self-assessments and they undergo on-site audits<sup>1)</sup> at least once every two years based on the Validated Assessment Program (VAP).

Worker interviews are mandatory during on-site audits, and any findings identified in manufacturing sites are addressed with corrective action plans developed to resolve the non-compliance findings and improve systems to prevent recurrence. The corrective action plans developed by each manufacturing site are approved by third-party audit experts, and the approved plans must be completed within the timeframe specified by the RBA VAP criteria. In 2025, a total of 15 manufacturing sites (12 in DX and 3 in DS Divisions) underwent RBA audits. 11 of the sites earned the full score of 200 points, achieving the Platinum grade, the highest level in the RBA VAP Recognition Program. For some manufacturing sites with findings of non-compliance in areas of labor, occupational health and safety, and supply chain management, all corrective measures were completed.

1) Areas audited: labor, health and safety, environment, ethics, and supply chain management

[2025 RBA VAP Summary](#)

#### ⑤ Effectiveness Monitoring

Samsung Electronics monitors the effectiveness of our measures to respect human rights through various methods. The effectiveness of anti-discrimination and inclusion-related activities, one of the 11 salient human rights impacts, is tracked through analyzing employee responses to related items in the annual organizational culture assessment conducted for all employees. Effectiveness of activities related to working hours and conditions, another salient human right impact, is assessed through monthly analysis of employee working hours and local yearly living wage analysis where the Samsung Electronics site is located. The effectiveness of the grievance mechanism is also assessed via annual grievance satisfaction surveys.

[Organizational Culture Diversity Diagnosis](#)

## Grievance Resolution

Samsung Electronics is committed to conducting thorough due diligence to prevent our business operations from causing or contributing to any adverse impacts on human rights or engaging in human rights abuses. If individuals or groups of individuals affected by the company's business activities submit a grievance for experiencing negative impacts from the company's business activities, we strive to provide appropriate remedies to those affected.

Samsung Electronics established our Global Grievance Resolution Policy in April 2024 and distributed guidelines to global business sites to ensure effective implementation in January 2025. Each site conducts new employee training and regular human rights training regarding the company's grievance handling policies and operational channels in languages employees can understand, ensuring that employees are aware of available policies and channels.

In January 2025, staff members managing grievances were put in place at several sales offices and research centers where grievance channels and governance structures were unclear. Additionally, staff members managing grievances, including newly appointed ones, were trained on the grievance policy and guidelines. This training ensured that the company's grievance mechanisms meet the effectiveness criteria set out in the UN Guiding Principles on Business and Human Rights.

### Grievance Resolution Channels

Samsung Electronics operates various grievance channels, including online, offline, hotlines, and worker representative bodies. We operate a minimum of 2 channels per business site, of which at least 1 channel guarantees anonymity, ensuring that not only employees but also workers in our supply chain, NGOs, and others can raise grievances.

We partner with third-party organizations to provide additional grievance handling channels in several countries and regions. A third-party grievance handling channel launched in Brazil in 2018 has been expanded to the entire Latin America region, and is being used in sites located in Germany, France, and the Nordics. We newly created grievance handling channels by continent in June 2025. Employees may use the regional grievance channels on top of their site's channels and escalate their cases to the regional channels if they are unsatisfied with the grievance outcome decided at the site level.

## Operation and Management

Samsung Electronics regularly reviews and improves its systems and processes to ensure that grievants can access grievance channels effectively and receive appropriate remedies.

**Grievance Mechanism Assessment** Samsung Electronics conducts annual assessments on the status of grievances received through its grievance channels to track the number, types, and trends of grievances. In April 2025, we conducted training and self-assessments for our policies and guidelines. We analyzed the types of submitted grievances and overall resolution process in order to better the operational level by site and train our staff responsible for grievance resolution.

**Employee Satisfaction Survey on Grievance Resolution** Samsung Electronics conducts an anonymous survey on grievance resolution to monitor the mechanism's effectiveness including utilization rate and trust by analyzing employee awareness of and their satisfaction with the procedures and outcomes. Additionally, we verify whether local grievance channels are operated in accordance with the effectiveness criteria of the UN Guiding Principles on Business and Human Rights. Employee satisfaction surveys regarding grievance resolutions were primarily performed at DX Division manufacturing sites, but expanded in 2025 to include DX Division overseas sales offices and research centers. The employee satisfaction surveys will be performed annually to improve our grievance resolution policies and guidelines and to track our training performance.

## Employee Communication

### Employee Representative Bodies

Employee representative bodies communicate with the company to improve working conditions and share employee voices on strategic decisions. The company communicates with employee representative bodies through collective bargaining and regular meetings, and collects employee opinions.

**Labor Unions** There are 35 unions representing employees worldwide. In some cases, workers are covered by a collective agreement signed at the national or industrial level. In other cases, Samsung Electronics signs collective agreements directly with labor unions in accordance with the laws of each country. As of the end of 2025, 58.5% of global employees worldwide are covered by collective agreements.

※ The percentage of employees covered by collective agreements in Korea is calculated by reflecting the number of union members disclosed by each union.

**Works Councils** We have works councils at 40 sites around the world, depending on the laws of each country and the circumstances of each site. Employees at each site directly/indirectly vote and elect their works council representatives. Each works council holds regular/ad-hoc meetings to discuss various agenda items aimed at improving employee working conditions, such as wages and fringe benefits.

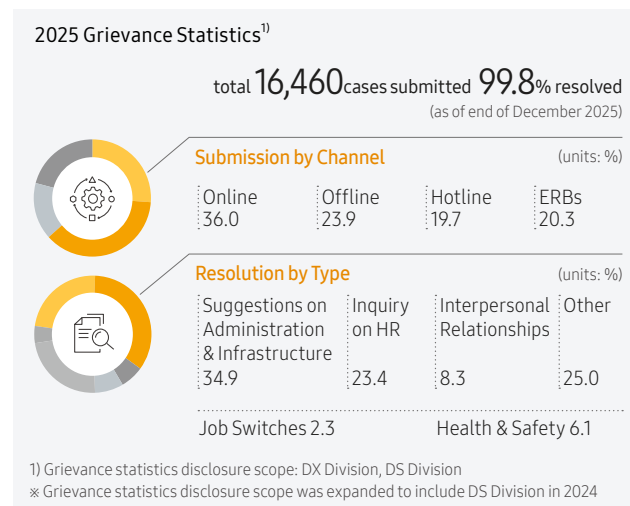
### Communications with Executive Management

Samsung Electronics shares our management philosophy and business status with our employees through various communication channels at all organizational levels from executive to site leadership. We build mutual rapport by listening to our employees through team-building programs, 1:1 meetings, and regular consultations.

### Organizational Culture Assessment

The Samsung Culture Index (SCI) is an annual organizational culture assessment conducted among Samsung Electronics employees worldwide. The SCI assessment covers three areas: work engagement, team collaboration, and company pride. Each area includes Outcome questions to gauge the health of the organizational culture and Driver questions to identify improvement points, making it easier to discover and address issues specific to each organization. In 2025, employees from a total of 136 sites worldwide participated in the SCI assessment.

Organizational Culture Improvements 🔄



## Activities

### Ensuring Freedom of Association and Collective Bargaining

Freedom of association is the right of workers to form or join a trade union. Collective bargaining is one of the key vehicles that help employers and legitimate trade unions jointly work toward fair working conditions, equal opportunities, and sound industrial relations.

Samsung Electronics respects labor unions and all other forms of employee representation activities. It ensures that no workers are discriminated against, retaliated against, harassed, or otherwise adversely affected on the grounds of union membership, request for or participation in collective bargaining, and exercise of their right to organize or bargain collectively.

Since 2020, we have been operating a labor-management relations advisory group composed of 4 external experts under the Board of Directors, with regular/ad-hoc advisory sessions with law firms and labor attorneys to minimize legal violations and problematic practices. In 2025, we conducted training and capacity-building activities to guarantee workers' rights. We provided preventive training on unfair labor practices to approximately 2,100 department heads in Korea and labor law training to approximately 7,000 middle managers. Additionally, HR and labor-management practitioners in Korea completed training on conflict management and negotiation to enhance their capabilities. We conducted training on fundamental labor rights and freedom of association led by ILO experts for approximately 70 labor-management and L&D managers at overseas locations, and labor-management department heads from manufacturing subsidiaries attended workshops organized by headquarters to receive in-depth training from international labor and human rights experts.

Samsung Electronics engages in collective bargaining, considering respective labor practices of each site and region. We signed a wage and collective bargaining agreement with unions in Korea in March 2025. After two instances of labor disputes at a manufacturing site in India, a collective agreement was concluded with workers in May 2025 in accordance with local laws.

2020	· Established Labor Relations Advisory Group under the Board of Directors
2021	· Negotiated with the labor union joint bargaining team, first collective agreement signed (Korea)
2022	· Concluded agreement collectively covering wages, holidays, etc. (Korea)
2025	· Concluded wage and collective bargaining agreement (Korea)

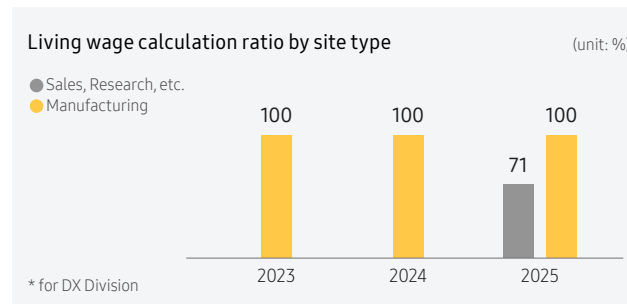
### Protecting the Right to an Adequate Standard of Living

Paying a living wage is one of the ways to ensure an appropriate standard of living for workers, reduce inequality, and address issues related to working hours and other working conditions. A living wage is understood as sufficient income for a worker and their family to maintain an appropriate standard of living based on statutory weekly working hours.

Samsung Electronics strives to offer compensations that meet the basic needs of workers and their families who depend on them.

Following the collaboration with the Business for Social Responsibility (BSR) in 2018 to calculate living wages, Samsung Electronics has been independently calculating the living wages for production workers at manufacturing sites in over 20 countries worldwide since 2022. To ensure the accuracy of living wage calculations, we apply the widely recognized Anker Methodology and refer to economic indicators published by credible institutions such as the OECD, UN, and Eurostat. We identify various items such as household food and non-food expenses, number of workers and dependents in a household, and other factors in the regions where manufacturing sites operate. Based on this, we recommend improvements to ensure that wages and fringe benefits at manufacturing sites align with the living wage estimated using the Anker Methodology. In 2025, we calculated the living wage for 139 worksites for our subsidiaries worldwide, including not only manufacturing sites but also sales offices and research centers.

Additionally, Samsung Electronics participates in the RBA's Living Wage working group to learn about global discussions on legislation and standards as well as to study global best practices.



### Work-life Balance and Benefits

Samsung Electronics operates a flexible and efficient working system tailored to each job's characteristics. Through the flexible working hours system and annual leave planning, employees flexibly manage their working hours according to individual circumstances. This is accompanied by enhancing employees' autonomy and responsibility to establish a Work Smart culture.

Additionally, Samsung Electronics supports various welfare and benefits programs for all employees, regardless of employment contract type to improve employees' quality of life, increase job satisfaction, boost morale, and enhance work immersion. In Korea, we pay employer-matching contributions into employees' personal pensions for larger retirement savings and cover some of their educational and medical expenses to ensure stable livelihoods for the families. We also support employee health check-ups and group insurance and operate a flexible welfare system that allows employees to receive benefits tailored to their individual lifestyles.

#### System for Work-life Balance

**Development day for self-improvement (Korea)**  
Employees who meet required monthly working hours may use the pay week's Friday for self-development and benefits.

**Remote working for work-family balance**  
We are implementing remote work arrangements under a pre-planned schedule for a better work-life balance and enhanced work efficiency.

**Pregnancy, childbirth, and parenting support (Korea)**  
Pregnant employees may request reduced working hours throughout their entire pregnancy, and those with high-risk pregnancies are entitled to full wage for such work arrangements. We support our employee's work-family balance by providing 5 paid days of fertility treatment leave and 20 paid days of partner's leave or 3 paid days of bereavement leave for their partner's miscarriage or stillbirth. We also operate one of the largest daycare centers in Korea and introduced a reboarding program for employees returning from parental leave.

**Flexible workspace (Korea)**  
We have 8 flexible workplaces: 3 off-site offices in Seoul (Seoch Office Building), Daegu (ABL Tower), and Bundang (Mirae Asset Place) and 5 flexible work zones at Digital City (Suwon), Future Technology Campus (Suwon), Seoul R&D Campus (Seoul), Smart City (Gumi), and Green City (Gwangju).

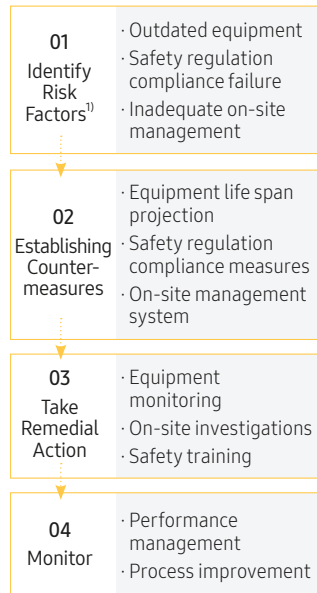
## Safety & Health

Samsung Electronics prioritizes creating a safe and healthy working environment for all employees by setting the goal of achieving a workplace with zero major industrial accidents as its top priority. In 2025, we established major industrial accident count and Lost Time Injuries Rate (LTIR) as key performance indicators (KPIs). We plan to systematically implement initiatives to achieve zero major industrial accidents and reach a global top-tier LTIR by 2030.

### Workplace Safety Management

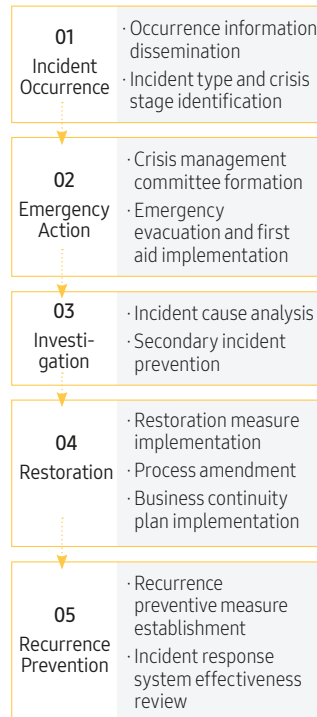
Samsung Electronics operates based on the international occupational health and safety management system standard (ISO 45001) and mandates ISO 45001 certification for all manufacturing sites, having completed certification at all sites in 2025. We regularly conduct environmental and safety expert diagnostics annually to identify potential risks, assess compliance with regulations, and inspect facility management practices.

#### Incident Prevention Process



<sup>1)</sup> Including risk assessment

#### Incident Response Process



### Strengthening Our Autonomous Safety Management System

Samsung Electronics has been building a cloud-based EHS platform to integrate and manage occupational health and safety tasks at our business sites; by utilizing mobile and IoT technologies, we enhance autonomous safety management capabilities and operational efficiency on-site. The DX Division developed a mobile AI-driven data monitoring and risk assessment system and applied pilot cases to several sites, and will expand the system to all sites with plans to establish a site-driven safety management system. The DS Division aims to create sustainable workplaces through smart safety technologies like unmanned inspections using smart robots and real-time on-site monitoring with IoT technology.

### Improving Our Safety Culture

Samsung Electronics strive to have employees not only understand and practice safety principles, but look out for the safety of their colleagues and achieve the highest level of safety culture. Accordingly, we declare safety principles for each Division<sup>1)</sup> to encourage all employees to ensure each other's safety and lay the foundation for each employee to participate in establishing a safety culture in daily life. The DX Division established a communication channel based on a mobile platform to enable employees to constantly identify and improve risk factors within the workplace. In addition, to enhance the effectiveness of accident prevention, the field response system was strengthened by periodically disseminating external accident cases and key trends utilizing AI to EHS managers. Furthermore, the DS Division annually selects 'Safe Influencers,' who serve as safety supporters who are identifying and improving risk factors within the workplace and are spreading a workplace safety culture by sharing safety-related content with colleagues.

<sup>1)</sup> Composed of 5 Basic Principles for Protecting Oneself and Colleagues and 5 Absolute Principles for Working Safely Only When Safe

### Training Expert Personnel

Samsung Electronics operates a risk assessment expert training program to enhance the risk assessment capabilities of its employees. In 2025, we trained 2,972 risk assessment experts.

#### CPR training for employees

To improve the survival rate of cardiac arrest patients within the workplace, Samsung Electronics implements mandatory cardiopulmonary resuscitation (CPR) training for all employees once every two years. In addition to theoretical training, convenience has been enhanced by installing 'CPR practice booths' that allow employees to practice directly at their preferred time and location.

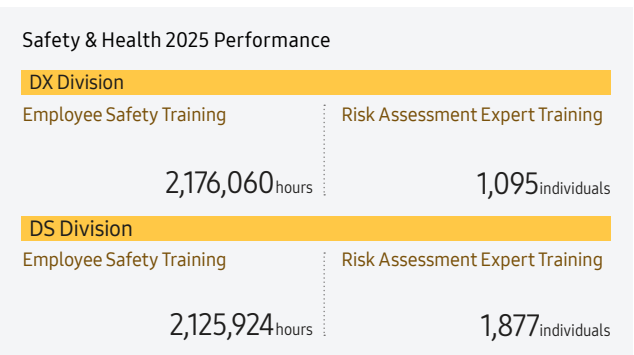
### Creating a Healthy Workplace

**Reinforce Chemical Control** Samsung Electronics strives to create a healthy working environment by reducing chemical exposure in manufacturing sites, thereby minimizing the potential negative impact of chemicals on employee health. We implement improvements in chemical handling equipment and processes to provide a healthier workplace and actively replace or dispose of hazardous substances in manufacturing processes with less toxic alternatives. In addition, we revise the internal list of regulated substances annually and manage them through a system that allows employees to easily check for their presence in products. In particular, the DS Division utilizes a Process Safety Management (PSM) system for equipment handling relatively high-risk chemicals to enhance safety measures and prevent major industrial accidents such as fires, explosions, and leaks caused by chemicals.

### Employee Wellness Promotion

Samsung Electronics provides mental health programs to create a health-friendly work environment for our employees. To promote the mental health of our employees, we expanded our team of medical specialists and psychological counselors, operating 34 in-house Life Coaching Centers and Mental Health Clinics in Korea and 31 in-house Life Coaching Centers overseas. Some overseas subsidiaries and research institutes that do not have in-house Life Coaching Centers utilize external EAP (Employee Assistance Program) providers. In addition, since 2010, to prevent and treat musculoskeletal disorders and improve the physical fitness of employees, we have been operating various programs, such as group exercises and exercise therapy, at Musculoskeletal Disorder Prevention Exercise Centers in each workplace. We also provide musculoskeletal assistive devices and on-site musculoskeletal care services to employees experiencing musculoskeletal pain.

#### Employee Health Care and Mental Well-being Activities



## Preventing Forced Labor

One of the most widely recognized factors causing forced labor is the recruitment fees paid by workers, especially migrant workers, to find and maintain employment. Samsung Electronics regularly evaluates overall working conditions at our manufacturing sites through self-assessments and third-party audits, considering prohibition of forced labor as one of the key indicators of working conditions in accordance with the RBA Code of Conduct.

We develop customized assessment tools for manufacturing sites employing foreign migrant workers. We conduct on-site audits of manufacturing sites and off-site accommodations, as well as face-to-face interviews to verify living conditions, to prevent forced labor. We perform pre-recruitment audits of recruitment agencies in labor-sending countries and online/offline interviews with job applicants to prevent forced labor, and regularly hold compliance workshops with executives and staff members from partner companies and recruitment agencies.

In particular, we closely monitor manufacturing sites in Malaysia, Poland, Hungary, and Slovakia, where migrant workers are employed. While most of these migrant workers are recruited locally in the host country, we provide onboarding in their native languages to ensure they fully understand their rights and raise grievances if necessary.

Manufacturing sites employing migrant workers conduct inspections of recruitment agencies and staffing agencies, verify whether recruitment fees have been paid to migrant workers with less than one year of service through surveys, and confirm that there are no cases of migrant workers being burdened with unfair recruitment fees.



Onboarding for Hungarian manufacturing site

## Non-Discrimination and Prevention Activities

Based on our management philosophy of "People First", Samsung Electronics fosters an organizational culture of mutual respect and equal opportunity for development among all employees. Samsung Electronics operates a triple system of policy, training, and monitoring to ensure that no discrimination occurs at any of our sites.

### Maternity Protection Operations

In accordance with the RBA Code of Conduct, Samsung Electronics prohibits discrimination based on factors such as gender or pregnancy across our employment practices related to work-related workplace safety and health, promotion, rewards, and training opportunities for pregnant women and nursing mothers. Furthermore, if an employee identified as pregnant or nursing works in a high-risk environment, the company takes appropriate measures to transfer them to a different role while maintaining salary or benefit levels, or to eliminate or reduce work-related safety and health risks, and provides necessary spaces for nursing mothers. In particular, starting in 2024, the DX Division has inspected the operational status of maternity protection systems at overseas sites and are strengthening consistency with national laws and ILO international standards.

### Culture and Belonging

Samsung Electronics operates various programs to promote diversity and inclusion, including women's leadership programs, training sessions, and workshops to build an inclusive organizational culture. In addition, we regularly monitor diversity indicators at our Korean and overseas business sites to identify areas for improvement. We strive to ensure that all employees are respected and can work in a non-discriminatory environment.

### Korean Launch of the Employee Resource Groups (ERG)

Samsung Electronics' DX Division officially launched the 'ERG (Employee Resource Groups),' a voluntary networking group for employees, at our Korean business sites in February 2025. The Korean ERG, organized around 5 themes-support for foreign employees, accessibility, working parents, female leadership, and the dissemination of I&D culture-began with approximately 120 employees and 5 advisory executives and as of the end of 2025 has grown to 505 members. At the launch ceremony, ERG leaders shared plans to create an inclusive environment by presenting internal and external networking, mentoring programs, employee awareness training, and I&D campaigns.

## Creating an Inclusive Culture for People with Disabilities

Samsung Electronics strives to create an environment where employees with disabilities can fully demonstrate their capabilities and to expand employment opportunities for people with disabilities. In December 2024, we joined the global CEO network 'The Valuable 500,' expressing our commitment to advancing a culture of disability inclusion throughout our organization.

### Accessibility Festival Week (AFW)

Samsung Electronics' DX Division hosted the '2025 Accessibility Festival Week' in London, UK, in May 2025 to commemorate Accessibility Awareness Day. We shared our implementation direction for accessibility in products and services through symposiums, keynote presentations, and collaborative workshops.

### Cultural Experience-based Disability Awareness Education

Samsung Electronics' DX Division operates a culture-experience-based disability awareness training program supported by the Korea Employment Agency for the Disabled. The program combines lectures with cultural experiences, such as musicals, classical music, and plays featuring artists with disabilities, and a cumulative total of 8,660 employees completed the training from 2023 to 2025.

### Barrier-free Map Production

In commemoration of the International Day of Persons with Disabilities in December 2025, employees of Samsung Electronics' DX Division conducted volunteer activities to directly investigate environments where people with disabilities, the elderly, and stroller users experience difficulties in the local area, and to reflect mobility convenience elements such as ramps, braille blocks, and elevator accessibility in map data. This activity, which began in the DS Division in 2024 and expanded to the DX Division, is yielding educational benefits by practicing social responsibility and understanding the perspectives of those with mobility limitations.

### Greater Possibilities Created by Diversity, Stellar Forest

Samsung Electronics opened Stellar Forest, a subsidiary-type standard workplace for people with disabilities, in 2023 to create sustainable jobs for individuals with developmental disabilities. As of December 2025, 391 people with developmental disabilities are employed there, and we actively support their independence through confectionery and pop-up book (card) production businesses. In addition, Stellar Forest collaborates with the 'Samsung Stepping Stone of Hope 2.0' support program for young adults preparing for independence to provide internship opportunities to those participating in the baking training course.

## Empowering Women in the Workforce

### Female Leadership Pipeline Management

Based on the belief that a culture of diversity and inclusion is the core driving force of innovation and growth, Samsung Electronics is committed to creating an organization where female talent can grow into leaders. To ensure fair opportunities based on competence and performance regardless of gender, we review our entire recruitment, evaluation, and promotion systems to ensure there are no discriminatory elements. We also identify a pool of next-generation female leaders early on and provide them with access to leadership training, mentoring, and coaching. Furthermore, to foster an inclusive organizational culture, we communicate with employees and conduct awareness-raising training for department heads.

[Next-generation Female Leaders Workshop](#)

### Female Workforce (Percentages)

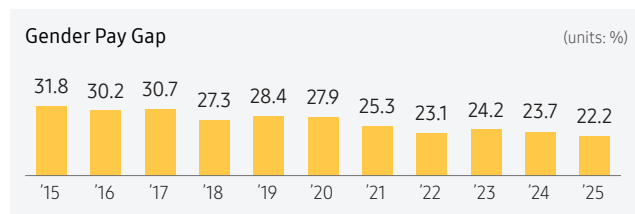
Categories		2015	2020	2025
Female Workforce (Percentages)	Executives	4.5	6.6	7.4
	Managers	12.4	15.3	18.9
Women by Job Type	Sales/Marketing	28.9	31.5	35.7
	Development	17.2	18.0	19.9

### Equal Pay Policy

In accordance with our Equal Pay policy, Samsung Electronics strives to provide the same level of pay<sup>1)</sup> to employees engaged in similar work, regardless of gender. By 2025, the gender pay gap at our Korean workplaces is projected to be 22.2%, an improvement of 9.6 percentage points compared to 31.8% in 2015. By Career Level (CL), the difference is 1.8% for CL2, 6.2% for CL3, and 6.8% for CL4, indicating that men's pay tend to be higher than women's; however, for CL1, women's pay were found to be 0.1% higher. Furthermore, pay equity is being monitored for overseas subsidiaries, and gender pay gaps in the UK, France, and Brazil are transparently disclosed on their respective websites.

1) Total annual pay including all income such as performance bonuses and benefits

[Pay Gaps UK](#) [France](#) [Brazil](#)



## Talent Development

### Talent Pipeline Management

Samsung Electronics continuously manages our internal talent pipeline to maintain a technological edge in the rapidly changing Korean and global business environment. We meticulously analyze our current business status and future core technology fields to predict medium- and long-term human resource needs by area. To secure top talent, we build a talent pool through various channels, including new recruitment and internal development.

[Performance Evaluation and Regular Feedback Process](#)

### Establishment of Employee Driven Culture of Growth

Samsung Electronics fosters a culture where employees can grow by voluntarily applying for any education or training of their need. DX Division employees can apply for customized programs tailored to their specific job functions and roles through STaR (Samsung Talent Review) Week, held twice a year. In particular, moving beyond the format of taking training limited to their own specific roles, they can apply for courses in other job functions if they deem it necessary. In the first semester of 2026, 869 courses were offered, and 61% of employees participated in STaR Week.

DS Division employees can apply for the training courses they need through the annual Talent Fair and apply for the training DScovery.

[Enhancing the Effectiveness of Educational Programs](#)

**Samsung Electronics University (SEU)** Samsung Electronics' DX Division launched the SEU to meet the needs of employees who want to enhance their expertise and grow sustainably while performing their duties. SEU integrated the scattered training organizations for each job role into one entity. SEU supports job and leadership development training for all employees, including part-time and contract workers, through 11 schools in 3 academies. It operates various educational programs to establish an employee-led growth culture, build practical education closely linked to on-the-job needs, and promote convergence across jobs and fields.

[SEU/DS University Educational Frameworks](#)

**DS University** DS University is a comprehensive education program designed to help all DS Division employees grow as job experts. It is structured in the form of a virtual university with a department/major system, consisting of 12 faculties and 48 departments, including design, devices, software, quality, processes, equipment, and more. It provides over 2,000 practical training courses tailored to job roles and levels, as well as various career development contents such as leadership classes and language education that match employees' growth paths.

## Training Programs

Samsung Electronics provides opportunities for all employees, including contract workers, to participate in various external development programs such as academic exchanges with Korean and global universities, Visiting Researcher programs, and Master of Business Administration (MBA/EMBA) courses.

**Technical Competence Enhancement** Samsung Institute of Technology (SSIT) began as an in-house technical university for semiconductor training in 1989 and was approved as a regular university in 2001, becoming the first in-house university in Korea to receive such accreditation. With an excellent faculty of external experts and employees, SSIT operates regular bachelor's degree programs in semiconductor and display fields, including for process/equipment and infrastructure. As of February 2026, 1,287 students have graduated from SSIT. Additionally, we established as in-house technical graduate programs the Semiconductor Display Engineering Department and the Digital Media Communication (DMC) Departments at Sungkyunkwan University to nurture the next generation of technical leaders. As of February 2026, 1,022 master's and 116 doctoral students have graduated from the in-house graduate programs.

**Global Talent Training** The 'Local Expert' program, introduced in 1990 to align with globalization trends, is an autonomous overseas training program that supports employees with more than 3 years of service to learn the language and culture of a host country for one year. To date, this program has nurtured 3,678 local experts in approximately 80 countries worldwide. Additionally, since 2023, we have operated the Samsung Talent Exchange Program (STEP), where outstanding talent from Korean and global workplaces can work in exchange for up to 2 years, fostering global talent.

**Job Function Switching Opportunities** The Job Posting system provides employees with opportunities for job transitions and is operated continuously through the internal system. Over the past 3 years, 3,560 employees have successfully transitioned to their desired roles, achieving a win-win effect for both the organization and individuals. We also actively support the smooth transition of job changers by providing change management mindset training, mentoring, and job skill education. Separately, the Free Agent (FA) system officially grants employees who have worked in the same job or department for more than 5 years the opportunity to transition to their desired roles or departments, along with opportunities to strengthen the necessary pre-transition capabilities.

# Sustainability in Supply Chain

## Governance

Samsung Electronics launched the Supply Chain Sustainability Committee at the end of 2025 to discuss sustainable management issues across the entire supply chain, including labor rights, the environment, and occupational safety and health. Our Board of Directors led Sustainability Committee, the DX Division's Sustainability Council and Supply Chain Sustainability Committee, and the DS Division's ESG Management Council oversee and manage supply chain issues including those handled by the Supply Chain Sustainability Committee.

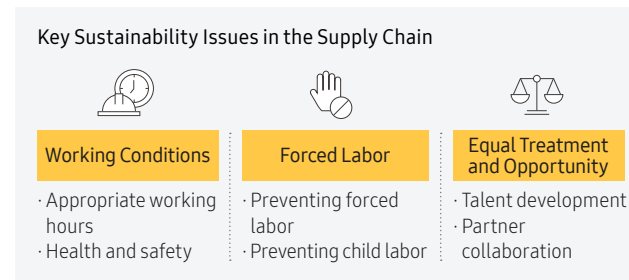
Supply Chain Sustainability Committee		
People Team	Partner Collaboration Center	Corporate Sustainability Center
Global Technology Research	Suwon Complex Support Center	Global CS Center
Global EHS Office	IR Team	Overseas Legal

The Corporate Sustainability Center operates the Supply Chain Sustainability Committee to respond to supply chain regulations such as the EU CSDDD. Organizations participating in the Committee, such as the Partner Collaboration Center and the Global EHS Office, as well as business site's subject dedicated departments, are responsible for ensuring the day-to-day implementation of our supply chain policy.

Conducting audits, improvements of practices, and information disclosures in order to enhance supplier sustainability management levels are reflected as KPIs for executives and working-level staff in responsible departments. Target achievement is linked to compensations including salaries and bonuses.

## Strategy

We not only support the business competitiveness of our suppliers but also support a wide range of issues including their labor and human rights, health and safety, and human resource development to build a sustainable supply chain. We also combined due diligence responsibilities to our supply chain risk management system to more effectively manage various sustainability issues that could arise within the supply chain. We plan to identify in advance and preemptively respond to supply chain human rights and environmental risks, minimizing negative impacts while expanding positive changes through continued improvement activities.



## Risk Management

### Policies

#### Supplier Code of Conduct

Samsung Electronics requires all goods and service providing suppliers to adhere to the RBA (Responsible Business Alliance)<sup>1)</sup> Code of Conduct reflecting [Samsung Electronics Supplier Code of Conduct](#) as well as global standards and norms along with local laws and regulations including for human rights, environment, health and safety, and ethics. We also provide a [Code of Conduct guide](#) to help our suppliers voluntarily comply with the Code of Conduct and practice sustainable management.

<sup>1)</sup> Responsible Business Alliance, an industry coalition dedicated to social responsibility in the global supply chain

## Global Purchasing Code of Conduct

The Global Purchasing Code of Conduct has been established to include core provisions of purchasing operational rules and manuals, as well as ethical standards that purchasing personnel must adhere to. The Code of Conduct takes precedence over other purchasing-related rules or manuals.

### Ethical Procurement Standards of Practice

- When sourcing new suppliers, Samsung Electronics evaluates sustainability items in addition to price and technology to register competitive suppliers, and provide all global companies with ample opportunities to do business with us through means such as our Open Sourcing Program.

※ As of 2025, average supplier transaction duration is 15 years

- The purchase price is determined through market research, cost review, price negotiation, and price determination under agreement with the supplier.

※ Account for issues like raw material cost and labor wage rate change when calculating new or renegotiated prices

- Samsung Electronics may not request that suppliers provide us or any other third parties with technology-related documents for price reviews or other purposes without justifiable cause.

- Samsung Electronics should provide forecast for mass production materials in order for the supplier to prepare production materials in advance.

- Samsung Electronics operates a system-based automated ordering system based on minimum order quantities, lead times, etc. agreed with suppliers.

- Samsung Electronics applies the principle of 100% acquisition of the order quantity, and unilateral change or cancellation of the quantity and delivery date is prohibited without consent from the supplier. If changes are required due to reasons such as discontinuation, specification change, or demand change, it must be proceeded through the order change request process under agreement with suppliers.

- Payment shall be determined in consultation with the supplier and paid in accordance with the terms and conditions set forth in the contract.

※ In 2025, 100% of 574 Korean SME suppliers were paid within 10 days

## Responsible Purchasing Policies

### Standard Supplier Contracts

Samsung Electronics strengthens the sustainability management foundation of our suppliers by explicitly stating the obligation to comply with supplier codes of conduct, including greenhouse gas (GHG) management, in the basic transaction contracts. In particular, contracts used at global sites are provided in multiple languages, such as English, Chinese, Vietnamese, and Portuguese, to ensure that local supplier representatives can easily understand them. These contracts comply with local laws, including prohibitions on child labor, forced labor, and adherence to the legal minimum wage.

### System-based Risk Management

Samsung Electronics defines various risk items, such as supplier sustainability, corruption, natural disasters, and information security, to identify potential risks across the supply chain in advance and minimize their impacts. We are managing these risks using an integrated purchasing system.

**Natural disaster risk** Samsung Electronics connects with major global disaster information organization systems<sup>1)</sup> to obtain information. When a disaster occurs, we analyze the supply chain impacts using location information suppliers registered in the system and automatically share them with purchasing managers.

1) GDACS(Global Disaster Alert and Coordination System), The Weather Company

**Corruption risk** Samsung Electronics conducts business transparently by systematically blocking abnormal business processes related to corruption, and regularly conducts spot checks and monitors compliance with laws and regulations related to fair trade and subcontracting.

**Sustainability risk** Samsung Electronics regularly monitors its suppliers' financial status, labor and human rights, environment, health and safety, and use of responsible minerals and hazardous substances, and proactively manages these issues through our systems.

**Information security risk** Samsung Electronics supports the advancement of information security levels for our suppliers by operating a triple security inspection system (self-assessment, professional solutions, and on-site assessment).

## Sub-tier Supply Chain

To address the increasing volatility and uncertainty in the supply chain, Samsung Electronics is gradually expanding our information management to include not only first-tier suppliers but also sub-suppliers that supply key items. We map supply chain information (Supply Tree) for major suppliers and items to construct and operate a supply chain map. Utilizing collected information, such as product groups and actual manufacturing site information (e.g., physical addresses), we quickly respond to various supply chain issues.

Additionally, to establish a fair trading culture, we strive to support and manage sub-suppliers based on the Samsung Electronics Supplier Code of Conduct. This includes improving payment conditions, ensuring labor rights compliance, supporting the creation of safe working environments, and promoting fair trade practices. Through these efforts, we are strengthening the compliance management of sub-suppliers.

### Selecting New Suppliers

Samsung Electronics comprehensively evaluates and systematically selects new suppliers based on 6 criteria of purchasing, quality, environment and safety, labor and human rights, anti-corruption, and finance. In-house experts in each criterion not only conduct document reviews but also additional on-site interviews and surveys to comprehensively evaluate all suppliers. We especially verify our suppliers' labor and human rights situations, including the journey of migrant workers, payment of recruitment fees, dormitory assignments, discriminatory treatment, and working hours, from the initial registration stage. In 2025, the DX Division selected 68 new suppliers while the DS Division selected 5 new suppliers.

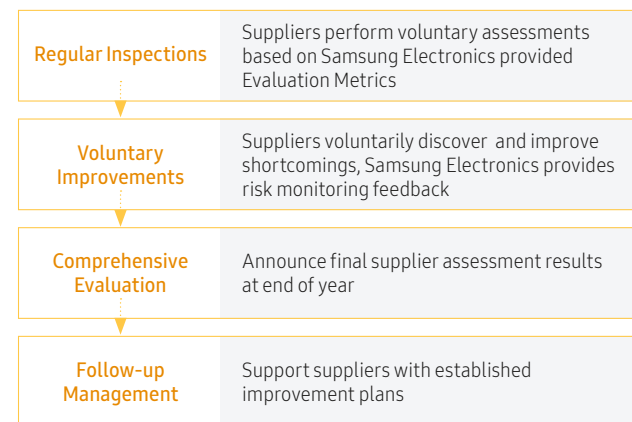
### Comprehensive Supplier Evaluation

To encourage suppliers to improve their capabilities, Samsung Electronics conducts a comprehensive yearly evaluation of all suppliers and reflects evaluation results in the following year's purchasing policy. The DX Division grants preferential trading incentives to suppliers with excellent ratings, while the DS Division provides incentives to suppliers with excellent ratings by maintaining the previous year's rating.

Sustainability is classified as a key evaluation metric and is being considered in our evaluations. For example, suppliers with child or forced labor violations receive penalties and suppliers with exemplary GHG emission reduction records receive extra points in evaluations.



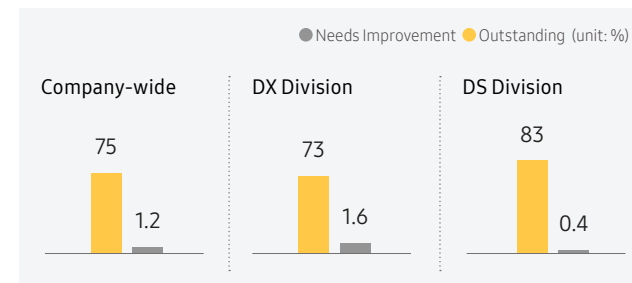
### Supplier Comprehensive Evaluation Process



### 2025 Comprehensive Supplier Evaluation Results

We conducted a comprehensive evaluation of 92% of our suppliers<sup>1)</sup> and found 75% were rated outstanding while 1.2% needed improvement.

1) Suppliers registered for less than one year excluded from evaluation.



## Supplier Due Diligence

Samsung Electronics operates an integrated due diligence process consisting of self-assessments, on-site audits, and third-party audits to manage actual and potential risks related to human rights and the environment in its supply chain. Based on the results of these due diligence activities, the company implements necessary corrective actions and conducts regular monitoring to ensure effective implementation.

Key results of on-site audits and third-party audits are utilized to comprehensively evaluate suppliers and improve the following year's policies. Incentives such as monetary incentives and comprehensive evaluation score bonuses are provided to outstanding suppliers. For the DX Division, since 2023, the results of labor and human rights and

environmental audits have been used to select candidates for our supplier Sustainability Awards, and incentives such as cash prizes are provided to suppliers that achieve excellent results<sup>1)</sup>.

1) In 2025, a total of 6 suppliers were awarded, with 2 suppliers from each category (Environment, Social, and Fair Trade)





We also expanded our scope of supplier risk management beyond first-tier suppliers to include sub-suppliers. In accordance with RBA standards and our own guidelines, first-tier suppliers are required to conduct due diligence and corrective actions on their sub-suppliers, provided this is legally permissible in the relevant country. Furthermore, the scope of the Supplier Code of Conduct has been extended from manufacturing suppliers to all suppliers providing products and services to Samsung Electronics.

In 2023, we introduced third-party audits for major second-tier suppliers in Asia. In 2025, performed third-party audits for 122 first-tier and 39 second-tier suppliers.

### Sub-supplier on-site audits

From 2024, Samsung Electronics began implementing a new program requiring key first-tier suppliers to conduct on-site audits of their second-tier suppliers. To support this, we provided a dedicated inspection toolkit aligned with our own audit standards and conducted training for first-tier suppliers. Using our risk identification criteria, first-tier suppliers identified major second-tier suppliers and conducted on-site audits. In 2025, over 400 second-tier suppliers were audited by first-tier suppliers.

### Comprehensive Supplier Due Diligence Process

	Methodology	Subject	Evaluator	2025 Performance
 Self-assessment	<p>Samsung Electronics develops self-assessment tool based on the RBA criteria and distribute it to all suppliers. Suppliers use this tool to conduct a self-assessment once a year and submit the results</p> <ul style="list-style-type: none"> <li>Encourage acquisition of international standards related to corporate social responsibility (e.g. ISO, SA 8000, etc.) by reflecting them in self-evaluation items, giving weight to important items such as forced labor including recruitment fees, child labor, industrial accidents, etc., to preemptively identify potential supplier risk</li> <li>Conduct separate sampling on-site audits annually for suppliers highly likely to violate important items</li> </ul>	<ul style="list-style-type: none"> <li>All first-tier suppliers<sup>1)</sup></li> </ul> <p><small>1) Non manufacturing purchasing agencies, distributors, and sales agencies excluded</small></p>	Supplier	<p><b>2,190</b> suppliers conducted self-assessments</p> <ul style="list-style-type: none"> <li>DX Division: 1,723 suppliers</li> <li>DS Division: 467 suppliers</li> <li>Sampling on-site audits: 24 suppliers (DX Division)</li> </ul>
 On-site Audit	<p>Samsung Electronics' dedicated organizational unit consisting of RBA-certified auditors conducts on-site audits of our suppliers.</p> <ul style="list-style-type: none"> <li>Identify problems and improvement tasks related to the work environment through review of documents such as worker salary payment record, contracts, and policies, and interviews with workers and managers of suppliers (register/manage in combined Purchasing System)</li> <li>Require immediate remediation of serious violations, such as the use of child labor or forced labor or those that can be remedied immediately on site, and verify the completion of corrective action plans within 3 months of registration of the audit findings, which is typically the case for all others</li> </ul> <p><small>※ In 2025, the DX Division conducted on-site audits for approximately 400 major 2nd-tier suppliers of key first-tier suppliers<sup>1)</sup></small></p> <p><small>1) Key suppliers select 2nd-tier suppliers considering factors such as transaction importance</small></p>	<ul style="list-style-type: none"> <li>Key first-tier suppliers<sup>1)</sup></li> </ul> <p><small>1) Suppliers with significant influence over our transactions that have a transaction amount or proportion exceeding a certain scale</small></p>	Relevant department professional <sup>1)</sup>  <small>1) DX Division work conducted around employees with RBA Auditor certificates</small>	<p><b>387</b> suppliers audited</p> <ul style="list-style-type: none"> <li>DX Division: 357 suppliers<sup>1)</sup></li> <li>DS Division: 30 suppliers<sup>2)</sup></li> </ul> <p><small>1) All key first-tier suppliers 2) Focus on SCS subsidiary's purchasing suppliers</small></p>
 Third-Party Audit	<p>RBA-certified third-party audit firms conduct audits, in accordance with RBA audit standards and processes<sup>1)</sup>.</p> <ul style="list-style-type: none"> <li>Audits are conducted every 2 years for top first-tier suppliers based on transaction amount, and high-risk first-tier suppliers<sup>2)</sup> are designated for audit the following year. Audits are immediately conducted upon finding labor environment issues raised by external stakeholders, such as NGOs, due to geopolitical factors.</li> <li>Second-tier suppliers are selected from among major suppliers of the key first-tier suppliers.</li> <li>During the initial audit, any issues that can be improved are immediately corrected on-site. The results of the improvement implementation are confirmed through a closure audit</li> </ul> <p style="text-align: right;"><b>Monitoring Progress on Improvement</b> </p> <p><small>1) Document review (employee salary payment record, contracts, policies, etc.), worker/manager interview (more than the square root of the total employee number), on-site audit (initial audit, closure audit), and improvements 2) Selection based on a risk-based approach (insufficient self-assessment, failure to improve serious violations identified in the previous year's on-site audit or third-party audit, possession of potential or actual risks related to geopolitical issues such as forced labor)</small></p>	<ul style="list-style-type: none"> <li>Top first-tier suppliers based on transaction amount, high-risk first-tier suppliers</li> <li>Key second-tier suppliers</li> </ul>	RBA Auditor	<p><b>161</b> suppliers audited</p> <ul style="list-style-type: none"> <li>122 first-tier suppliers (DX Division: 99, DS Division: 23)</li> <li>39 second-tier suppliers (all DX Division)</li> </ul>

### Responsible Mineral Management

Samsung Electronics established a responsible mineral management system for all suppliers that supply mass-produced materials<sup>1)</sup> in accordance with the 5-step procedure of the OECD Due Diligence Guidelines<sup>2)</sup>, and conducted a survey on the status of responsible minerals for all suppliers, carrying out preliminary verification and early improvement of any risk factor.

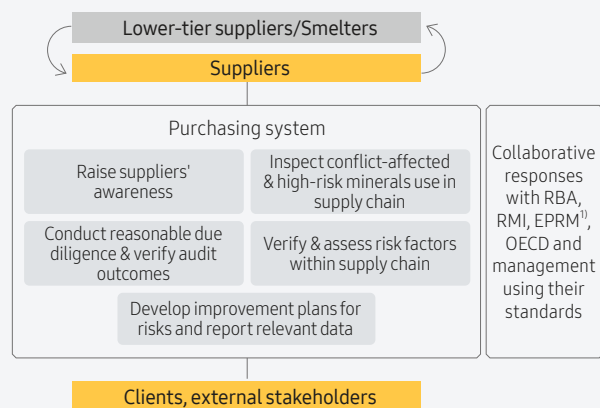
Samsung Electronics regularly obtains information on the status of conflict and responsible minerals of all its partners and information on smelters within its supply chain through the Samsung Electronics combined supplier management system, utilizing the Conflict Minerals Reporting Template (CMRT), Extended Minerals Reporting Template (EMRT), and Additional Minerals Reporting Template (AMRT). Furthermore, in accordance with Samsung Electronics' conflict mineral policy, we requested our suppliers to expand the implementation of the conflict mineral non-use policy.

In 2025, Samsung Electronics conducted on-site inspections for 219 global suppliers to verify the reliability of submitted information and compliance with conflict mineral policies and plans to continuously monitor not only conflict minerals but also minerals that raise issues of human rights violations or environmental destruction during the mining process and respond through global cooperation.

- 1) OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
- 2) 12 minerals including cobalt, mica, lithium, copper, nickel, aluminum, silver, chromium, zinc, indium, iron & steel, and natural graphite

[Samsung Electronics' Responsible Minerals Report](#)

### Samsung Electronics Responsible Mineral Management System



1) European Partnership for Responsible Minerals

### Grievance System Construction and Operation

#### Hotline

The DX Division operates a Hotline for suppliers' employees to anonymously report any labor rights violations or unsafe working conditions. We also ensure the protection of informants' confidentiality throughout the entire grievance process so that our suppliers' employees can submit reports without fearing retaliation. Hotline instruction guides are displayed in local languages in offices, corridors, manufacturing facilities, dormitories, restaurants, and other frequently visited spaces. Reports are collected via phone, email, etc.

Organizational units responsible for the Hotline must verify the facts within 7 days of submission and send a specific remedial action plan to the whistleblower. Improvement implementations are regularly checked on and a satisfaction survey for the whistleblower is conducted to confirm grievance process efficiency.

[Hotline Reporting Status](#)

#### Grievance Channel (Previously Cyber Sinmungo)

Since 2010, the DX Division has operated an online portal, named "Cyber Sinmungo" to listen to grievances and suggestions from various stakeholders, including not only first-tier suppliers but also second-tier and non-manufacturing suppliers.

In 2025, to enhance the convenience of filing grievances and ensure a swift response, the Cyber Sinmungo was reconfigured as a "Grievance Channel." Grievances and suggestions from suppliers and their employees are received via the "Grievance Channel" section on the Samsung Electronics Partner Collaboration Portal, which is accessible outside company systems, as well as through external email.

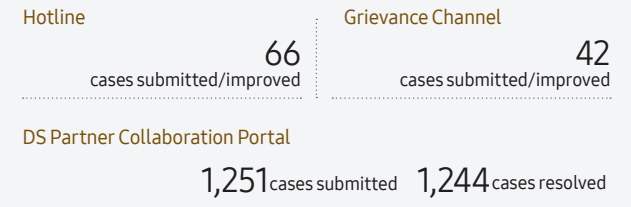
Grievances can be submitted anonymously to prevent issue raisers from becoming targets of disadvantage or retaliation. All received content is processed according to established procedures and standards based on the principles of speed, transparency, and fairness, and the results are shared after verifying the facts and handling the matter. In cases where an extended review of the facts is required, we strive to form a committee of all relevant units to resolve the issue regardless of the time taken.

[Grievance Handling Cases](#)

### Partner Collaboration Portal Grievance Reporting Channel

The DS Division receives grievances from suppliers through various channels, such as anonymous and authenticated boards on the [Partner Collaboration Portal](#), phone calls, and emails, and promoted grievance channels to improve the work environment of suppliers.

#### 2025 Partner Collaboration Portal Performance



※ Unresolved cases are undergoing discussions to derive solutions

### Worker Participation


Samsung Electronics listens to supplier employees during supply chain management and due diligence policy establishment and operations, including new supplier registration, supplier site audit, and grievance process development.

#### Worker Participation Stages

Participation Stage	Details
New supplier registration	Conduct surveys/interviews of vulnerable workers to verify prohibition of forced labor, a mandatory evaluation item
Supplier on-site audit / Third-party audit	Interview with workers and managers numbering the square root of the total number of supplier workers ※ Interviewed 2,911 workers in the 2025 3rd party audit (on-site interviews: 2,797, off-site interviews: 114)
Grievance process development	Establish a reliable grievance handling system, by collecting opinions during on-site audits, worker interviews, and compliance management workshops

## Activities

### Preventing Forced Labor

Samsung Electronics applies human rights principles throughout our management and strictly prohibits forced labor and the imposition of recruitment fees for migrant workers<sup>1)</sup> in our supply chain through the [Supplier Code of Conduct](#) .



Violations related to recruitment fees for migrant workers are classified as serious forced labor violations. Depending on the occurrence of forced labor issues, we may downgrade the comprehensive evaluation grade of the supplier or terminate the business relationship if the violations persist and are deemed serious.

In all processes, including the selection of new suppliers, regular audits and special forced labor audits we monitor recruitment-related fees and costs through communication with supplier management and workers. If it is confirmed that a migrant worker has paid recruitment fees, the supplier must refund the amount within 90 days.

Samsung Electronics conducted special audits regarding forced labor of migrant workers at 47 key suppliers located in Malaysia, Thailand, Poland, Hungary, and Slovakia that employ migrant workers in 2025. In addition, we continue to conduct training on responsible recruitment procedures to enhance understanding of the migrant worker recruitment process.

<sup>1)</sup> Based on ILO Core Conventions No. 29 (Forced Labor Convention) and No. 105 (Abolition of Forced Labor Convention)  
 ※ Proportion of migrant workers among suppliers: 3.2% (as of 2025)

### Prohibition of Forced Labor Performance

2020	· Begin <a href="#">special audits on forced labor involving migrant workers</a> 
2021	· Begin <a href="#">responsible recruitment procedure</a> 
2025	· Forced labor special audit <sup>1)</sup> : Returned USD 960 worth of recruitment fees to 2 migrant workers <sup>1)</sup> 5 countries, 47 suppliers · Responsible hiring procedure training: 1,546 responsible staff across 1,347 suppliers

### Preventing Child Labor

Samsung Electronics strictly prohibits the employment of child workers and applies a zero-tolerance policy toward suppliers that employ them. If the presence of under age workers is discovered, the supplier must immediately cease employing them and improve the age verification process in the hiring process as a corrective measure.

To prevent the influx of child workers, especially during middle and high school vacations, we conduct special audits at the hiring sites of first-tier and second-tier suppliers annually. These audits thoroughly review student and youth employment, identity verification procedures, official hiring policies, and issues in the hiring process. We collect information through various channels, from supplier job postings to worker interviews, in order to rigorously assess potential and actual risks related to child labor.


### Prohibition of Child Labor Performance

2015	· Begin special audits for child labor
2018	· Expand special audit scope to second-tier suppliers
2025	· DX Division: Audited 71 first-tier suppliers, 30 second-tier suppliers in East Asia · DS Division: Audited 60 first-tier suppliers in East Asia ※ None of the suppliers employed child workers, but 4 companies were found to have gaps in their recruitment process, such as not having facial recognition to verify identity or not collecting identity verification pledges. Steps were taken to improve the situation ※ Winter and summer, twice a year, with overlap

### Working-hours compliance

Samsung Electronics ensures that supplier employees maintain appropriate working hours by implementing a working time management feature in our integrated purchasing system. This system monitors the average and maximum working hours of all employees at each site on a monthly basis. The system also includes a severity rating for working time violations to prevent excessive overtime among suppliers' employees. Additionally, it discloses individual employee compliance rates, including working hours over three-month periods (peak, off-peak, and regular), and the usage of weekly rest days, based on third-party audit results.

To support responsible purchasing practices, we provide pre-forecasting of sales needs to help suppliers effectively manage working hours. We also continuously collaborate with suppliers by offering consulting services on working time management procedures to ensure compliance with working hour standards.

 **Working Hour Compliance Rate Analysis for 2025**

We analyzed the working hour compliance rate<sup>1)</sup> by first-tier suppliers based on third-party audit results and found that in 2025, the rate was 92%, nearly identical to the 2024 rate of 93%. This is the result of systematic management and continuous improvement efforts based on Samsung Electronics' practice of responsible purchasing practices, the provision of working hour management consulting, and suppliers' experience with periodic third-party verification audits.

<sup>1)</sup> Employees must adhere to standard 48-hour work week and must not work more than 60 hours per week including overtime, with a guarantee of at least one day off per week.

## Health & Safety

Samsung Electronics has established a goal to strengthen the safety and health capabilities and management systems of our suppliers by 2030, led by the Chief Safety Officers (CSOs) for each Division: the DX Division's Global EHS Head the DS Division's Global Manufacturing & Infrastructure Head. To this end, we plan to provide consulting and audit support for DS Division suppliers that have not yet obtained external certifications<sup>1)</sup>, and to support internal auditor training for safety managers at suppliers that have already obtained external certifications. Furthermore, to enable suppliers to proactively prevent serious accidents by identifying and improving hazardous and risky factors in their work, we operate training programs for specialized personnel in supplier risk assessment and communicates with supplier workers through the 'Supplier Environmental Safety Portal.'

1) ISO 45001, KOSHA-MS, etc.

Supplier Health and Safety Risk Management 

## Partner Collaboration Projects

The Samsung Electronics DS Division participates in the Large-Small Business Safety and Health Partner Collaboration Project organized by the Ministry of Employment and Labor to prevent industrial accidents and improve the safety and health standards of our suppliers. In 2025, 23 companies from the DS Division's Pyeongtaek site and 14 companies from the Onyang site participated, and support was provided for risk assessment, consulting on establishing safety and health systems, and the supply and specialized training of safety and health products.

### 2025 Health & Safety Performance

#### DX Division

Regular audit

713  
key suppliers

Training

1,626  
individuals

Accident prevention support (consulting)

55 suppliers  
ranked vulnerable

#### DS Division

Training

55,256 individuals  
17 courses,

Partner Collaboration Program Participants

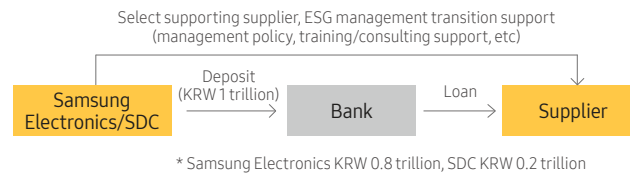
37 companies

## Partner Collaboration

### Funding Support

Samsung Electronics operates various financial support programs to support the establishment of business foundations for our suppliers. Representative support programs include the Win-Win Fund, which provides low-interest loans of up to KRW 9 billion for facility investment and technology development. Since 2024, a new ESG fund worth KRW 0.8 trillion was created through agreements with 5 major banks to support SMEs to invest in environmentally and safety-friendly facilities and equipment. We plan to expand the scope of support to include second-tier suppliers and increase the support scale per company in the future.

### ESG Fund Supply Process



### Semiconductor Technology Support

The Samsung Electronics DS Division operates various technical support programs to strengthen the Korean semiconductor ecosystem.

**Performance Evaluation** We directly test and evaluate the performance of products developed by Korean materials, parts, and equipment companies on their actual production lines. Based on the evaluation results, we issue official certifications to help companies expand their businesses into Korean and international markets.

**Pattern Wafer** We provide pattern wafers produced on our in-house production lines to Korean companies and research institutes. Through this, we support Korean companies in acquiring world-class R&D competitiveness. In 2025, we provided 936 wafers.

### Strengthening communication

The DS Division operates on-site meetings to foster a deep mutual understanding and build trust with partner companies. In 2025, by visiting supplier sites to inspect working conditions, listening directly to on-site challenges through dialogue with management, and jointly seeking solutions, the Division communicated with a total of 102 purchasing suppliers supplying equipment, materials, and components. Additionally, meetings were held with site managers from 132 suppliers based in-house, categorized by industry.

## Partner Collaboration Day

The Partner Collaboration Day, which began in 2012, is an event where Samsung Electronics and our suppliers communicate, encourage each other, and reaffirm our commitment to shared growth. Starting in 2025, it will be operated separately for the DX and DS Divisions to strengthen synergies by Division. Through the Partner Collaboration Day, Samsung Electronics strives to strengthen partnerships with our suppliers and grow together by sharing technology strategies and management status for each business and rewarding outstanding suppliers.

## Supplier Talent Development

Samsung Electronics established the Samsung Electronics Partner Collaboration Academy in 2013 to practice collaborative growth with our suppliers. The academy is an approximately 10,000m<sup>2</sup> learning center for suppliers near our Suwon business site, and provides free support for various consulting, training, and recruitment programs for suppliers.

**Training Support** Samsung Electronics offers more than 440 different training programs to strengthen the capabilities of supplier employees, ranging from new employees to executives. In line with the sustainability management education system, the training curriculum has been expanded beyond core areas such as job roles and leadership. New programs that are now in operation include semiconductor technology, environment and safety, GHG target management, and supply chain due diligence response. [Supplier Capacity-Building !\[\]\(cf49ff7c036b11f4c755c4aaff0a2953\_img.jpg\)](#)

**Youth Job Support** Samsung Electronics operates the Youth Job Center, a dedicated recruitment support organization, to help our suppliers secure talented employees. The Center helps recruit job seekers that reflect the needs of our suppliers, holds job fairs for our suppliers, and operates an online recruitment center exclusively for our suppliers in connection with online recruitment sites.

**Consulting Support** Samsung Electronics operates a consulting support program for all suppliers, including Korean materials, components, and equipment suppliers, to identify tasks in fields such as manufacturing, quality, and environment and safety, and to resolve issues and drive innovation. In-house expert consultants visit the sites of first and second-tier suppliers to support development and new activities.

### 2025 Supplier Talent Training Performance

Trained	Employed	Consulted
59,498 individuals	1,085 individuals	195 suppliers

\* Including overlap between DX/DS Divisions

# Empowering Communities

## Governance

Samsung Electronics oversees our community-related initiatives through the Board of Directors, the Sustainability Committee, and the Sustainability Council. In 2025, the Board of Directors discussed the Social Contribution Matching Fund operation plan and the execution strategy for donations. The Corporate Citizenship Office (CCO), ESG & Smart Factory Support Center, and Creative Development Center are responsible for running CSR flagship programs.

## Strategy

Under our "Together for Tomorrow! Enabling People" vision, we are implementing programs that focus on providing quality education to all youth, with no student left out of educational opportunities, while also transferring Samsung's management know-how to SMEs and startups.

### VISION

Together for Tomorrow!  
Enabling People

### THEME



Creating a sustainable future  
Education for Future  
Generations



Rising together with local  
communities & suppliers  
Mutual Growth

## Activities

### Education for Future Generations

Samsung Electronics strives to empower young minds as leaders of the future to drive innovation and positive social change. To this end, we not only leverage our expertise, knowledge, experience, and resources to help the youth develop multifaceted skills needed for the future but also operate programs to develop their creativity, curiosity, and problem solving skills. Samsung Electronics operates diverse social contribution programs in close collaboration with Korean and global government institutes and organizations so more students, without exception, may have equal access to educational opportunities.

[Corporate Social Responsibility \(CSR\) Website](#)

### Samsung Solve for Tomorrow

Samsung Solve for Tomorrow is a global idea contest designed for youth to apply their STEM (science, technology, engineering, and mathematics) competencies to actual projects related to the local community and advance their creative problem-solving skills. It was first started in the USA in 2010 and is currently operating in 61 countries. Teachers and Samsung employees serve as mentors, actively supporting students as they identify root causes of problems in the local community, find creative solutions, and make them come to life. Samsung Electronics provided a total of KRW 23.3 billion in funding to Samsung Solve for Tomorrow in 2025.

#### Operational Performance in 2025

Participating countries	Participating students
61 countries	428,644 individuals



### Samsung Innovation Campus

Samsung Innovation Campus is a global education program designed to support youth in obtaining state of the art IT skills and practical capabilities. The program started in 2019 and is operational in 40 countries. The program offers training in topics like programming, AI, IoT, and big data in partnership with local education authorities, academic institutions, and civil society organizations in various countries, accounting for national educational environments. The program offers theoretical and hands-on training to develop IT function skills. The program also provides soft skills such as creative thinking and empathy so youth may grow into future problem solvers. Samsung Electronics provided a total of KRW 7.6 billion to Samsung Innovation Campus in 2025.

#### Operational Performance in 2025

Participating countries	Participating students
40 countries	52,882 individuals



### Samsung SW-AI Academy For Youth

The Samsung SW-AI Academy For Youth (SSAFY) is a program designed to enhance the employment competitiveness of unemployed university and Meister (specialized vocational) high school graduates aged 29 and under, based on Samsung's expertise in software education. Selected trainees receive level-based software and AI education for 1 year at 5 campuses nationwide. In addition, the program offers various employment support programs to ensure successful employment, assisting trainees in growing into outstanding software talents and entering the workforce. Samsung Electronics provided a total of 30.6 billion KRW in funding to SSAFY in 2025.

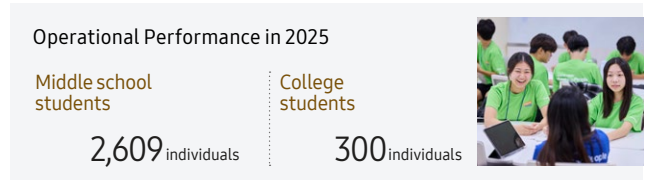
#### Operational Performance in 2025

Training operations centers	Trainees
5 Centers	2,000 individuals



### Samsung Dream Class

Samsung Dream Class is an education program designed to support, with the support and participation of Samsung employees, middle and high school students in Korea who face barriers to educational access and prepare for the future. University students, Samsung employees, and subject matter professionals serve as mentors to operate three educational courses in career exploration, future skills, and basic education. Students grow their skills, design their careers, and find opportunities for their dreams through tailored skill training and basic education including not only English and mathematics but also topics like global communication and creative coding. Samsung Electronics provided a total of KRW 8.2 billion in funding to Samsung Dream Class in 2025.



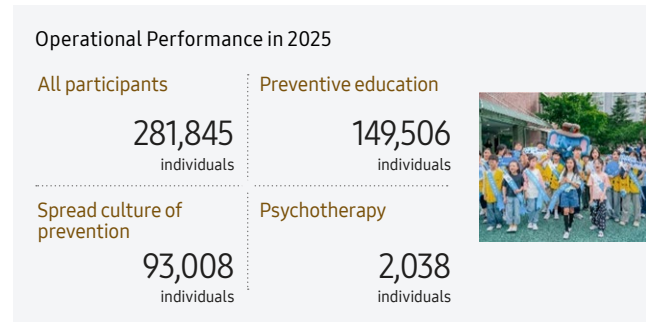
### Samsung Stepping Stone of Hope

Stepping Stone of Hope provides independence training and experience to adolescents who are staying in protective care facilities. Stepping Stone of Hope provides a residence for adolescents in Korea who are forced to leave protective care facilities at the age of 18 due to the nationally-set age limit, and supports their economic independence through vocational training. In 2023, we launched Stepping Stone of Hope 2.0, an employment and career design program supporting individuals' economic independence. We operate 16 centers in 13 regions, providing an effective independent living training including various job training courses, such as for electronics/IT manufacturing technicians and semiconductor precision piping technicians. Samsung Electronics provided a total of KRW 0.4 billion in funding to Samsung Stepping Stone of Hope in 2025.



### Blue Elephant

Blue Elephant is an education and support program that aims to prevent and heal youth cyberbullying and cyber violence. The program helps students who are victims or perpetrators of cyberbullying through 5 core long term projects over 10 years from 2020 to 2029 including education, campaigns, therapy, academic research, and support projects. Samsung Electronics provided a total of KRW 0.64 billion in funding to Blue Elephant in 2025.



### Nanum Kiosks

Nanum Kiosk is a fund-raising program designed to support children in need with Samsung employees' voluntary donations. Employees donate KRW 1,000 every time they tag their employee ID cards to kiosks installed on site, and when donations reach the targeted amount, they are delivered to children of vulnerable demographic groups. Nanum Kiosks are installed and operated at all business sites in Korea, and are currently operating in five additional countries (Vietnam, India, Mainland China, the United States, and Thailand), starting with Vietnam in 2019.



### SME & Startup Support

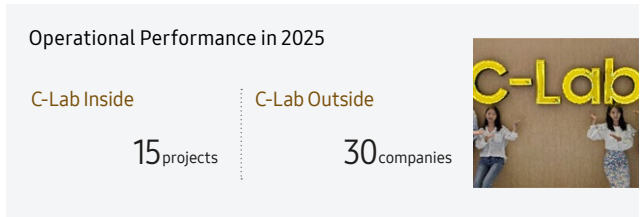
#### Smart Factory Support Initiative

Through the Smart Factory Support Initiative, approximately 160 of Samsung's experts in a variety of fields, including quality assurance, logistics, and molding, work with SMEs at their sites and share their knowledge and knowhow in establishing production systems and automation solutions and advancing production innovation through technology. We supported a total of 3,625 SMEs in Korea from 2015 to 2025. [Smart Factory Support Initiatives](#)



#### Startup Support

Samsung Electronics operates C-Lab (Creative Lab) to discover our employees' creative ideas, link them to business, and contribute to the revitalization of the Korean startup ecosystem. C-Lab Inside is an internal venture program that supports employees in realizing their creative ideas, while C-Lab Outside is an external startup incubation program that discovers and supports the growth of promising Korean startups. As of February 2026, a total of 1,000 in-house ventures and startups (434 internal and 566 external) have been nurtured through C-Lab. [C-Lab](#)



# Privacy Protection & Security

## Governance

At Samsung Electronics, the Global Privacy Team Head serves as Chief Privacy Officer (CPO), managing and overseeing privacy related issues. The CPO-led Privacy Steering Committee decides on privacy related policies and safeguards, and regularly reports major privacy-related issues to the Board of Directors and senior management.

Privacy protection officers for individual Businesses perform privacy audits and training within Businesses, while applying and managing privacy technologies. Regional HQ privacy protection officers hold privacy reviews and training for regional offices, operating Privacy Councils.

The Information Security Center Head, as the Chief Information Security Officer (CISO), serves as the control tower for security issues. The monthly CISO-led Information Security Committee decides on key information security policies and discusses security incident/issue responses/improvements, and reports major security-related issues to the Board of Directors and senior management.

Information security departments for our Businesses and sites respond to security issues while managing security infrastructure such as entry/exits, IT security, etc. The regional HQ information security officer develops relevant policies considering local regulations and culture, responding to security issues within the region.

## Risk Management

### Policy

Samsung Electronics provides all employees with our Global Privacy Policy and operates situation appropriate policies reflecting individual national laws and systems. We also provide employees with personal information protection guidelines such as the 'Privacy Protection Guidelines for Employees' and the 'Guidelines on Third Party Personal Information Processing' to strengthen our employees' privacy and security policy implementation. We also established a mid-to long-term plan for personal information protection in 2025 and are systematically operating our policy.

### Operating Our Risk Management System

Samsung Electronics operates a Privacy Legal Management System to review and address privacy-related matters throughout the entire lifecycle of products and services, from planning to development, operation, and discontinuation, enabling risk prevention in advance. In 2025, we provided consulting for 8,897 cases received by the System.

### User Support Website

Samsung Electronics transparently addresses our privacy policy at our [Samsung Privacy](#) site, helping users to access, delete, and update personal information associated with their Samsung account at once. We also operate the [Samsung Security Reporting Portal](#) to relay product related security update information, and receive and process product level security vulnerability reports.

### Responding to Personal Data Breaches

Samsung Electronics takes preventive measures, including technical, managerial, and physical safeguards, to prevent data breaches. In the event of a breach, we promptly remove both direct and indirect causes to prevent further breaches. We also enhance protective measures and conduct personal information protection training to prevent recurrences and minimize user impact. In accordance with the Personal Information Protection Act, we immediately notify users and relevant authorities of any detected breaches. We provide affected users with details such as breached personal information items, breach time and circumstance, methods to minimize potential damage, response measures taken, and contact information for the department handling victim consultations through emails, website announcements, and other methods.

[Personal Data Breach Response Process](#)

### Privacy Governance

#### Global Privacy Team

- Build privacy strategy, policies, and processes
- Privacy legal advice and support
- Employee education and awareness

#### Privacy Steering Committee

- Deciding on key privacy policies and safeguards
- Share issues and discuss countermeasures by product, service, and business

### Security Governance

#### Information Security Center

- Oversees Business & site information security and build governance
- Operate global anomaly management structure

#### Information Security Committee

- Discuss key information security policies and actions
- Discuss & disseminate information security issues and improvement plans

## Strategy

Samsung Electronics collects only the minimum personal information necessary for the intended purpose and processes it transparently and securely while prioritizing the user's rights. We also identify potential risks ahead of time, developing appropriate and robust security technologies to address such risks and applying them to our products.

### The Three Privacy Principles

#### > Transparency

We transparently share the details on our collection and processing of personal information

#### > Security

All our products are designed to provide reliable services and securely protect users' personal information

#### > Choice

We enable users to choose the type and extent of personal information to be collected, accessed, and shared

### The Four Pillars of Cybersecurity



Preventing & Hardening



Prediction



Detection



Response

## Activities

### Privacy Protection Training

All employees must complete an annual privacy protection training. Employees handling personal information in the course of their work complete annual privacy protection training specific to their job duties. In addition, we are improving employees' awareness of privacy protection through internal promotional activities.

#### Employees Subject to Privacy Training

Title	Subject
Privacy Protection Training	All employees (including management, contract workers, and alternative schedule workers)
Training for Privacy Protection Managers	Assigned managers of departments operating privacy system and service
Data Processing (+outsourcing) Protection Training	Employees and consignees with privacy system access
Location Information Protection Training	Employees in charge of location information management system and service

### Responsible Advertising

Samsung Electronics has a strict privacy policy for ads served directly through mobile and SmartHub™ devices. We use a unique and randomly generated ID for each user when serving personalized ads; this ID may be reset by the user, in which case we will immediately stop using any user information collected under the old ID.

Samsung Electronics gives our mobile and SmartHub™ device users the ability to opt out of receiving targeted ads. Users may refuse or turn off targeted ad settings from their device settings at any time, in which case they will receive generalized ads instead. Also, where we collect and use personal information for targeted ads, on new devices we will provide users with a clear notice of purpose to obtain user consent in advance.

[List of Prohibited Content in Advertisements](#)

### International Security Certification

Samsung Electronics works to provide our customers with products and services safe from external data breach attempts in addition to protecting our own information assets. To this end, we receive internationally recognized security certifications for our management system and for our major products and infrastructure solutions.

[International Security Certifications Record](#)



#### Bespoke AI Robot Vacuum, Refrigerator Obtain Security Certification

In 2025, our Bespoke AI Steam Ultra robot vacuum and Family Hub™ hybrid refrigerator obtained the KISA Privacy by Design (PbD) certification and the highest level of standard security certification for the KISA IoT security certification. We also received Cyber Security certification from TÜV Nord, a global testing and certification organization, and have achieved the highest level of security assessment of Diamond by UL Solutions.



### Semiconductor Technology Security

Samsung Electronics recognizes core semiconductor technology protection as a key management issue not only from the company's perspective but also from national and client perspectives. Core semiconductor technologies are designated as South Korea's National Key Technologies and National High-Tech Strategic Technologies and are protected by the Act of Prevention of Divulgence and Protection of Industrial Technology, and the Act of Special Measures for Strengthening the Competitiveness of, and Protecting National High-Tech Strategic Industries. We prevent semiconductor technology security accidents by verifying our security system effectiveness through regular annual inspections. We separately established the National Core Technology Security Management Guidelines and designated executive-level management officers who review the technical security and finalize security processes and protective measures of national core technologies. In order to strengthen client information management, we sign Non Disclosure Agreements (NDAs) with corporate clients, limit client information access to select employees, and apply a mail filtering service (Compliance Guide Service, CPGS) to automatically block external forwarding of emails containing client information.

[Samsung Electronics Semiconductor National Core Strategic Technology and National High-Tech Strategic Technology](#)

### Robust Security Environment

#### Samsung Knox Platform

Samsung Knox is a security platform that prevents hacking and unauthorized access through a multi-layer security system from the chipset to operating system (OS) to application stages. Data clients store in our products are protected in real-time on the Knox platform from boot-up. Samsung Knox is being expanded throughout all of our products from smartphones, tablets, and smart TVs to smart home appliances, IoT, and 5G devices.

[Samsung Knox Security Principles](#)

#### Samsung Knox Vault Solution

Samsung Knox Vault is a solution that secures applications and user information from attacks that exploit Android security vulnerabilities. Starting in 2025, Knox Vault will be applied not only to mobile product lines but also to smart home appliances with screens, such as the Bespoke AI Family Hub™ refrigerator and Bespoke AI Combo washing machine, as well as TVs, contributing to users easily and safely experiencing an AI HOME. Additionally, starting with One UI 8 in 2025, Samsung introduced KEEP (Knox Enhanced Encrypted Protection), a security solution that provides robust protection for personal information on the device. KEEP protects user data by creating an independent encrypted storage space for each app within the device's internal storage area, separating data so that apps cannot access each other's information.

[Samsung Knox Vault Personal Information Protection Solution](#)

#### Mobile Security Updates

Samsung Electronics provides regular security updates for our products and services. Security update support time period for Galaxy mobile devices is for up to 7 years. We work with not only Android OS and chipset partners but also with mobile device carriers world wide to provide security patch updates to billions of Galaxy devices. We also established security standards for all Android devices, and are working with more than 1,000 partners and various security research communities to provide users with the safest mobile experience.

※ Android OS upgrade and security update availability and timing may vary by product and market.

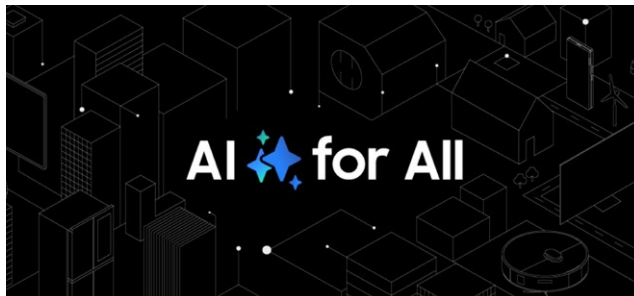
# AI Ethics

## Governance

Samsung Electronics manages and oversees our AI governance and AI ethics framework to ensure the development of ethical AI products and services. This effort is led by the Sustainability Committee under the Board of Directors and the AI Strategy Council, which is chaired by the CEO.

The AI Strategy Team, which operates the AI Strategy Council chaired by the CEO, collaborates with AI Strategy Groups in each Business to plan AI strategies and governance frameworks, and conducts practical implementation checks. It ensures the global consistency of governance by continuously monitoring global regulations and standards through external channels, while strengthening verification capabilities in legal and ethical aspects by operating an integrated risk management system with the Compliance Team.

In addition, Samsung Electronics operates an AI Governance Council involving relevant departments, such as the AI Strategy Team, Samsung Research, and the Compliance Team, to uphold AI ethical principles. This Council establishes development processes based on AI ethical principles and supports and oversees the development process by distributing developer tools and guides for ethical AI development. In particular, key issues discussed by the AI Ethics Council are reported to the Sustainability Committee under the Board of Directors.



## Strategy

Samsung Electronics adheres to AI ethical principles to create AI that puts people first and benefits society. Based on AI technology, Samsung Electronics aims to introduce devices that are safe and beneficial anytime, anywhere, and that learn autonomously to deeply understand users.

Samsung Electronics' AI ethics principles consist of three promises: fairness, transparency, and accountability.

[Samsung Electronics AI Ethics Principles](#)

### Samsung Electronics AI Ethics Principles



#### Fairness

- Respect human rights at every stage of the AI system and pursue fairness and diversity.
- Ensure that unfair biases are not fostered or reinforced by the AI system.
- Create an AI system that is easily accessible to everyone.



#### Transparency

- Ensure users are aware that they are interacting with an AI system.
- Strive for explainable AI to the best of our technical capabilities.
- Protect the privacy of AI service users.



#### Accountability

- Fulfill the social responsibility of our AI systems.
- Ensure that our AI systems are safe and secure.
- Make social contribution through AI a part of our corporate culture.

## Risk Management

Samsung Electronics creates specific and actionable guidelines to implement AI ethics principles of fairness, transparency, and accountability, and manages and supervises them to ensure they are observed during the product development process.

[Samsung Electronics AI Ethics Principles Operating Guide](#)

### Samsung Electronics' Efforts to Adhere to AI Ethics Principles

#### Fairness

- Comply with Samsung Electronics' accessibility policies through the operation of an accessibility consultative body
- Evaluate the fairness and bias of data utilized by AI by providing self-assessment checklists
- Monitor/provide warning when fairness violations, such as bias, are detected in the provision of AI services

#### Transparency

- Comply with Samsung Electronics' Privacy Policy
- Design to augment user perception of interactions with the AI system
- Monitor model card and data card generation

#### Accountability






- Provide AI ethics implementation guidelines and conduct mandatory training for employees
- Operate an AI Ethics Council
- Perform risk mitigation activities, including AI Safety inspections and AI Red Team activities
- Continuously collaborate with industry, academia, civil society, and government, including participation in AI Summits

## Activities

### Apply AI Ethics to Bixby

Samsung Electronics reviews and prepares for various possibilities throughout the entire Bixby design and operation process to ensure that our Bixby service does not foster or reinforce unfair biases.

We establish and adhere to 'sensitive word processing policies' by considering the laws, social ethics, and consumer sentiments of each country, and develop and apply 'sensitive word databases' and 'sensitive word recognition engines' to our services. In addition, we constantly update the sensitive word database with ever-changing social issues.

	<b>Sensitive Word Policy</b>
	· Social Laws/Ethics · Consumer Sentiment/Emotion
	<b>Sensitive Word Database</b>
	· Philosophy, religion, nationality, race, gender, crime, issues, emergencies, etc.
	<b>Development &amp; Implementation</b>
	· Development of sensitive word recognition engine · Periodic update of sensitive word database
	<b>Verification</b>
	· Recognition engine verification through sensitive word search testing
	<b>Operation</b>
	· Sensing and responding to issues related to sensitive words

### Comply with International Standards

Samsung Electronics operates a systematic management system aligned with international standards to provide AI products and services that consumers can trust and use.

In 2023, Samsung Electronics' Home Appliances Division became the first in Korea to receive the international standard 'Artificial Intelligence Management System (ISO/IEC 42001)' certification. This certification focuses on evaluating whether a company upholds AI ethics and responsibly manages risks related to reliability when creating and providing AI products or services. The Korean Standards Association (KSA) grants this certification by verifying that security, fairness, transparency, and data and system quality are properly managed throughout the entire lifecycle of AI home appliance products and services, from planning and development to mass production and disposal.

### AI Safety Framework

Samsung Electronics operates various systems to comply with AI ethical principles and has further systematized these to establish our own AI Safety Framework.

In particular, Samsung Electronics pays closer attention to AI Safety, which directly affects on-device AI functions, and manages AI Safety through two core processes and four core components that are commonly applied to various on-device products.

<b>AI Safety Framework</b>	
<b>Core Process</b>	
<b>Data &amp; Model Governance</b>	
· Ensure data quality and prevent risks · Apply a consistent management system centered on data cards and model cards to identify and monitor model threats	
<b>Evaluation &amp; Red Teaming</b>	
· Establish a company-wide standard AI Safety verification process for AI risk assessment and prevention · Establish a Red Team process to identify and verify AI vulnerabilities in the form of adversarial attacks	
<b>Core Components</b>	
	<b>AI Governance</b> Operate management system to be observed at every stage from product planning to disposal
	<b>Model &amp; System</b> Operate system to verify that AI models and functions operate safely as intended
	<b>Data Platform</b> Build an environment for secure data management
	<b>Tools</b> Support various tools such as technical problem checks and fundamental rights impact assessments

### Participate in global initiatives and partnerships

Samsung Electronics participates in global initiatives and collaborates with various Korean and global stakeholders to enhance understanding of the social impact of AI and to utilize AI technology in a responsible manner.

#### Global Initiatives

In November 2023, Samsung Electronics attended the world's first AI Safety Summit held at Bletchley Park in the UK and participated in establishing global AI safety governance. At this meeting, the urgency of developing human-centered, safe AI, as well as identifying risks and resolving issues that may arise from AI usage, was confirmed. Additionally, the 'Bletchley Declaration' was adopted, pledging to continue discussions and research to strengthen international cooperation regarding AI Safety.

In May 2024, Samsung Electronics participated in the AI Seoul Summit held in Seoul and joined the 'Seoul AI Business Pledge.'

In February 2025, the company fulfilled the 'Seoul AI Business Pledge' by participating in the AI Action Summit held in Paris and announcing the AI Safety Framework.

#### Partnership

Samsung Electronics participates in discussions on international AI standardization conducted by the International Organization for Standardization (ISO/IEC)'s Joint Technical Committee on Artificial Intelligence (JTC 1/SC 42), striving to ensure AI safety and reliability in accordance with global standards.

In addition, we participate in the "Industrial AI Standardization Forum" organized by the Korean government, communicating with experts from academia, research institutions, and industry to establish sound policies. The Forum promotes standardization aimed at establishing evaluation criteria and ethical guidelines for AI reliability, accumulating high-quality data, and ensuring interoperability across industries where AI is applied.

# Product Quality & Safety

## Governance

At Samsung Electronics, the Head of the Global CS Center serves as the chief officer responsible for enterprise-wide Customer Satisfaction (CS) initiatives, ensuring customer safety and delivering flawless quality by managing and supervising the company's quality assurance system. Furthermore, the 'Quality Innovation Committee,' the company's highest quality decision-making body chaired by the CEO, strives to fundamentally resolve market quality issues and strengthen company-wide quality management. The Committee thoroughly examines quality risks associated with new products and discusses improvement measures for quality issues as well as key decision-making matters. The Global CS Center and business quality organizations monitor in real-time to proactively prevent risks related to product quality and customer safety. Additionally, regular product-specific meetings and PL (Product Liability) prevention and response processes are operated to quickly analyze causes and take measures to prevent recurrence in the event of an issue.

### Quality Innovation Committee

Interval	Monthly
Members	CEO (Committee Head), CFO, CTO, Business Heads
Secretary	Global CS Center Head
Attendees	Business development/manufacturing/CS team leaders, Production Technology Research Institute Director, etc.
Agenda	<ul style="list-style-type: none"> <li>Review of quality risks for new models</li> <li>Inspection of process quality status</li> <li>Review of initial market quality after launch</li> </ul>

## Strategy

Samsung Electronics prioritizes customer safety and product quality from our products' planning and development stages. In the event of issues during product use, we provide prompt solutions and convenient services. Based on the vision of "Perfection in Quality and Service for the Best Customer Experience", we declared a Quality Management Code of Conduct and actively practice customer-centric management.

### VISION

Perfection in Quality and Service for the Best Customer Experience

### THEME



### Quality Management Code of Conduct

- Customer Satisfaction** ..... Always think and act from the customer's perspective and provide the highest quality and service exceeding customer expectations
- Adherence to Principles** ..... Ensure sustainable quality management by advancing our AI-based systems and strictly adhering to relevant rules and processes
- Data-Driven** ..... Make objective and rational decisions based on data analysis, solving problems quickly and accurately by realizing business automation
- Experience Innovation** ..... Flexibly respond to changes in market and customer expectations and innovate the user AI experience of the future era with the highest quality

## Risk Management

Samsung Electronics ensures product safety and quality from the planning stage through development, procurement, manufacturing, and other lifecycle evaluations, including safety, compatibility, usability, and serviceability, before launch. We especially strengthen our quality assurance system by establishing a three-stage Gating system led by enterprise-wide dedicated teams across the pre-development, commercialization, and mass production preparation phases.

### 3 Stage Gating System



In addition, quality problem prevention organizations within the company and our Businesses analyze the root causes of failure cases and carry out activities to prevent recurrence, such as improving business processes and systems.

## Activities

### Product Quality & Safety Expert Training

Samsung Electronics enhances the quality and product safety understanding and capabilities of our Korean and global employees by offering courses based on the CS School education roadmap at Samsung Electronics University (SEU). These courses include product reliability, Fault Tree Analysis, Failure Mode and Effects Analysis, Product Liability preventive design, and battery/power safety to support employee skill development. We also support training for obtaining international certifications such as the American Society for Quality's Certified Quality Engineer and Certified Reliability Engineer certifications and the National Association of Fire Investigators Certified Fire and Explosion Investigator certification.

## Ensuring Product Safety

Samsung Electronics operates an internationally accredited testing laboratory to ensure product safety, with qualifications in product safety, communication standards, and electromagnetic compatibility assessments. To effectively respond to newly established standards in various countries, we expand our equipment investment and enhance our technological capabilities.

In particular, to prevent damage expansion in the event of product failure or component malfunction, we apply dual safety design to products and components. We also conduct safety verification by considering scenarios where customers may use products in abnormal ways or harsh environments. For major components with a high risk of accidents, such as large batteries, power supplies, and chargers, we perform separate intensive safety inspections.

## Supporting Safe Product Use for Child Users

Samsung Electronics supports child protection features across various products, including mobile devices, TVs, and home appliances, to ensure the safety of child users. For mobile devices, child users are restricted in downloading apps, making in-app purchases, and accessing web content based on parental settings. Through collaboration with Google, we provide features such as usage time management for mobile devices and apps, School Time to limit mobile device use during school hours, and contact management that allows new contact registrations only with parental approval.

For smart TVs, parents can restrict content usage based on viewing age or rating and access to specific channels or apps. This feature is also available on Family Hub™ refrigerators with screen displays. Restricted content or apps can only be accessed by entering a password set by the parents. As of May 2026, the child account service is supported in 72 countries, including Korea, the United States, China, Europe (32 countries), Latin America (5 countries), and the Middle East and Africa (15 countries), and Southeast Asia (17 countries).

## Ensuring Product Quality

Samsung Electronics operates a quality assurance system throughout the entire product lifecycle to secure the highest level of quality. Documented standards are applied to all tasks and processes, and quality-related inspections and improvements are continuously conducted for purchasing partner companies.

### Development Stage

Samsung Electronics operates a Customer Satisfaction (CS) certification system for new products, which involves evaluating performance, reliability, safety, and other factors at each development stage. Only products that meet all evaluation criteria are released to the market. During the development of new products, we use the Product Lifecycle Management system to manage past failure cases and issues from the planning stage of new product development, preventing recurrence of similar problems. Additionally, durability reliability and real-use tests are conducted using new verification methods for new technologies and features, and production is only approved if customer-required quality standards are met.

### Purchasing Stage

For components produced and supplied by suppliers, we use the Supplier Quality Control Innovation(SQCI) system for quality management. Based on a three-strike supplier quality warning system, penalties such as adjusting supplier volumes or halting transactions are applied in cases of quality incidents, hazardous substance occurrences, or poor quality evaluation grades.

### Quality Warning System for Suppliers

Count	Action
1st	Issue Warning Notice Based on Supplier Quality Warning Criteria
2nd	Implement Purchase Order Block for the Involved Item for a Minimum of 3 Months
3rd	Suspend Transactions with Supplier for a Minimum of 6 Months

## Manufacturing Stage

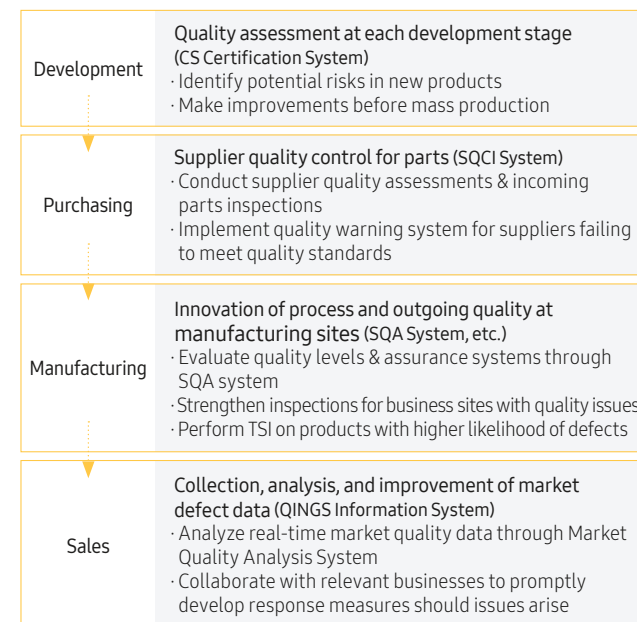
Samsung Electronics operates as an ISO 9001 certified company based on the International Quality Management System. We conduct internal inspections annually at all manufacturing sites worldwide, both Korean and global. We evaluate quality levels and assurance systems to ensure consistent production of high-quality products that meet customer satisfaction through the Samsung Electronics Quality Awards (SQA) system and conduct Target Sampling Inspections (TSI)<sup>1)</sup> on products with high probability of defects.

1) An approach used to overcome limitations of traditional sampling methods; automatically extracts and inspects products with a high probability of defects by systematically analyzing the correlation between market defects and process inspection data, enabling preemptive prediction of defect occurrence probabilities.

## Sales Stage

We manage global market quality-related information in real-time through the Quality Information Network of Global Samsung (QINGS) information system. Should quality issues arise, early warnings, production halts, and other emergency improvement measures are implemented, and relevant departments collaborate to swiftly develop and implement solutions.

### Quality Assurance System Across the Product Lifecycle



## Customer Service

Samsung Electronics aims to maximize customer satisfaction by providing the best possible service to our customers and responding swiftly and effectively to their needs. We established a customer service operation system to manage product services status in real time and increased repair accuracy and response speed by integrating AI analysis technology into our system.

### Service Channels

As of the end of 2025, Samsung Electronics operates 12,457 service centers in 217 countries to support product repairs. Beyond this, we provide various consultation channels where customers can submit service requests and share their opinions about products. Detailed instructions for using each channel are available on Samsung.com. Needs/requirements collected via specialized consultation channels such as chatbot support, remote support, email support, phone support, and sign language support are shared internally across departments to improve products and services.

#### Samsung Electronics Service Channels

##### Service Requests and Product Inquiries

- Contact Center - Phone/Chat/Email Support, Remote Consultation
- Website Customer Support Self - Diagnosis, Usage Instructions
- Store Visit - Galaxy Consultant<sup>1)</sup>
- Samsung Members Application

##### Product Repair

- Customer Service Center Visits
- Home Visit, Pickup Repairs, etc.

<sup>1)</sup> Galaxy smartphone experts with specialized knowledge of Galaxy products, providing a range of services from product feature consultations and experiences to Smart Academy

## Self-Repairs

Samsung Electronics operates a customer self-repair program to expand repair options for customers by providing genuine parts, repair tools, and repair manuals. Since July 2021, we supported self-repair for models sold after this date. The program was launched in the United States in 2022 and in Korea, Europe, Latin America, and other regions in 2023. Repair manuals can be easily downloaded from the Samsung Electronics Service Website. Self-repair parts and tools are available through Samsung Service Centers and the Consumables Shop on the Samsung Electronics Service website in Korea, while overseas customers can purchase them through the Samsung Electronics Service Website.

Customer self-repair 🛠️

## Service Quality Improvement

### Efforts to Provide Standardized Services

Samsung Electronics creates guidelines for operating service centers and call centers and shares them globally through our Work Standard System to ensure standardized services across all Korean and global locations. Each regional site conducts training using manuals tailored to local market characteristics based on global guidelines.

Additionally, we regularly evaluate service centers to assess the application of service standards, technical capabilities, repair equipment, infrastructure, material management, and financial health. Improvement goals are set for service centers of various sizes, and incentives such as fee adjustments or awards for outstanding centers are provided based on achievement levels.

### Samsung Electronics Service Standard

Service Standard	Details
Standard operating manual for services	· Operations manuals by service process: Contact center, service intake, technical training, troubleshooting, results reporting, Happy Call, billing, claims handling, etc.
In-store service guide	· Guide to adding in-store services features: in-store service definitions, service features, layout, etc.
Technical guides	· Technical guide for product repair

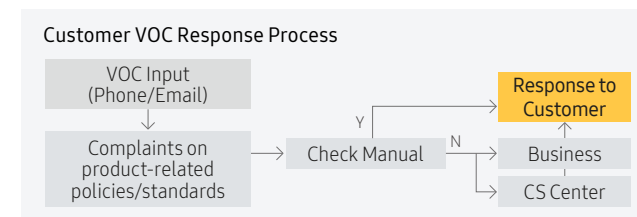
## Service Training

Samsung Electronics operates training programs for service center managers and repair technicians to ensure consistent quality in repair services. These programs cover topics such as product operation principles, structural understanding, new repair technologies, and customer service skills. Training is conducted through remote video sessions or in-person classes, tailored to the characteristics of each country and product. Technicians can access training videos and technical materials through the company's internal system for self-study. In 2025, the Samsung Business Academy, a system for managing overseas service technical training, offered 6,154 courses, with a total of 47,294 participants completing the training. Additionally, we provide repair authorization training for newly hired technicians and those with repair authorization expiring within three months. As of the end of December 2025, 95% of the 29,408 global repair technicians had successfully obtained their repair authorization.

## Customer Communication

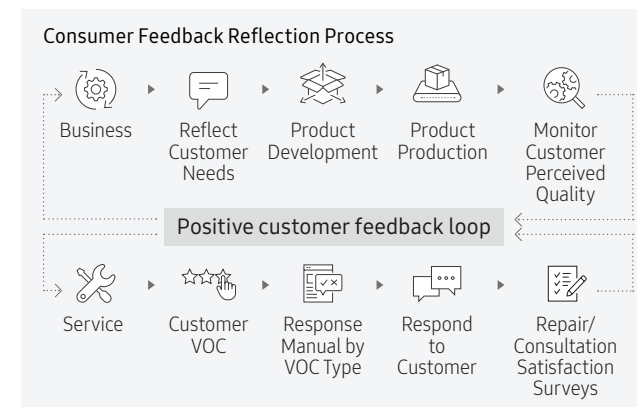
### Customer VOC Response

Samsung Electronics diversifies our Voice of Customer (VOC) acquisition channels, including call centers, websites, emails, and external sites, to collect and address various customer concerns related to product purchase, usage, and repairs. We establish and operate procedures for each VOC channel and use a global VOC integrated management system to collect and share VOCs in real-time across departments for analysis and utilization. This ensures swift and effective resolution of customer issues.



### Customer Satisfaction Surveys

Samsung Electronics regularly conducts customer satisfaction surveys through means like email and the Samsung Electronics Service Website for customers who have experienced our services. The survey results are shared with relevant departments, and improvement activities are implemented for areas with low satisfaction or insufficient competitiveness. In 2024, we established a platform for consultation satisfaction surveys, and in 2025, we built a repair satisfaction survey platform and are systematically managing consultation and repair satisfaction levels.



# Principle

We practice responsible management for a sustainable future.

Compliance & Ethics 61

# Compliance & Ethics

## Governance

Samsung Electronics manages our compliance & ethics governance structure via our Board of Directors and affiliated committees (Management Committee, Sustainability Committee, Audit Committee, Related Party Transactions Committee, etc.) to realize responsible corporate management. This governance structure helps foster a corporate culture that adheres to compliance & ethics, supporting our sustainable growth. The corporate Compliance Team operates various compliance and ethical management programs with the Management Advisory Team. The Compliance Team Head (Chief Compliance Officer) attends all Board and Management Committee meetings to support corporate decision making, and reports major issues to the Board in order to increase corporate decision making transparency. The Samsung Compliance Committee, launched in February 2020, is a separate, independent external organization with the aim of practicing integrity-based management, a Samsung Key Value. This Committee offers various recommendations and opinions to improve compliance monitoring policies and to strengthen compliance monitoring & control functions over 8 major affiliates<sup>3)</sup> of the Samsung group.

1) Samsung Electronics, Samsung C&T, Samsung SDI, Samsung Electro-Mechanics, Samsung SDS, Samsung Life Insurance, Samsung Fire & Marine Insurance, and Samsung E&A (as of February 2026)

### Samsung Compliance Committee

The Samsung Compliance Committee holds regular monthly meetings and ad hoc meetings as needed to strengthen Samsung's corporate compliance culture and realize Samsung affiliates' management. During these meetings, various agenda items are reviewed, including the use of external sponsorship funds and internal transactions. Additionally, a separate reporting channel is operated to receive reports regarding violations of compliance obligations. In 2025, the Committee conducted various activities, such as visiting Samsung Group affiliate business sites in Eastern Europe to inspect compliance status and hosting compliance workshops for affiliates. The Samsung Compliance Committee continuously provides various recommendations and opinions to improve the compliance systems of affiliates, and Samsung Electronics establishes and faithfully implements action plans regarding these recommendations.

## Strategy

Samsung Electronics practices a fair and transparent management based on compliance and ethics, pursuing continuous growth as a global corporate citizen receiving the trust and support of our internal and external stakeholders. To achieve this, we regularly inspect and assess compliance and ethics activities and train our employees to enhance our internal ethics awareness. We also work to improve our employee evaluation system and operate a reward system to establish a culture of compliance.

## Risk Management

Samsung Electronics establishes and implements our own [Business Principles](#) based on compliance and ethics, as well as the [Global Anti-Corruption and Bribery Policy](#). We also provide guidelines to employees and suppliers to prevent risks related to compliance and ethical management. We adopt a zero-tolerance policy towards corruption and bribery, and do not intentionally ignore or overlook corrupt practices.

### Employee Guidelines



- Translated into 15 languages, including Korean, and published on our intranet
- Details shared with all our global employees (including contract employees) at least once a year through offline & online trainings and visual education sessions

### Supplier Guidelines



- Strive to establish a transparent culture in our transactions by providing guidelines to our suppliers

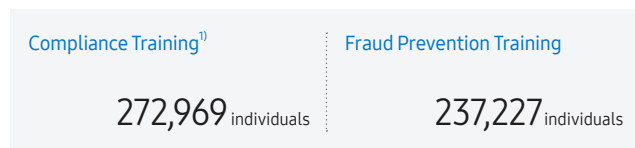
Additionally, to realize compliance management across all corporate activities, Samsung Electronics utilizes an IT system called CPMS (Compliance Program Management System). The Compliance Team uses this system to manage risks that may arise in key areas such as anti-corruption, fair trade, intellectual property rights, personal data protection, human rights and labor relations, and environmental safety at the preemptive prevention, monitoring, and post-management stages in collaboration with responsible departments.



## Activities

### Training Program

We emphasize the importance of compliance and ethical management to all our employees (including contract and part-time employees). Training for compliance and fraud prevention includes items such as anti-corruption and fair trade. Training is conducted at least once a year. Additionally, training on Korea's Improper Solicitation and Graft Act is provided to contractual administrative function employees to support compliance and ethical adherence from all employees. We also provide training customized for employee job functions and for top management to foster leadership and assist with ethical decision making.



1) The number of employees who completed training was calculated based on training completion records for the relevant year, and may differ from the total number of employees due to fluctuations during the year (hiring/resignation, leave/reinstatement, dispatch, etc.).

### Evaluation and Awards

We improve upon our employee evaluation system and operate an awards system in order to foster a corporate culture of compliance. We actively encourage compliant and ethical management activities by increasing the weight of compliance items in the evaluation of executives, and include compliance performances in or organizational evaluations so all employees can partake in compliant management. We also directly award employees and organizations contributing to building a culture of compliance through the SEC Annual Awards.

### Compliance and Ethics Audits

Samsung Electronics conducts compliance and ethics audits at all our business sites. Audit results are reported to the Board of Directors at least once a year, and issues requiring improvement are reflected in our management activities.

### Major Audit Activities in 2025

Period	Topic Description	Areas
Q1	Compliance of subsidiaries	Technology misuse, trade secrets
	Compliance of third-party production partners in South Korea and overseas	Technology leakage, product liability
Q2	Compliance of online sales sites	Consumer protection, dark patterns, greenwashing
	Customer trade secret misappropriation risk	Trade secrets
Q3	Compliance of patent application process	Technology misuse, trade secrets
	Internal privacy management system	Privacy
Q4	Risks related to external sponsorships and internal transactions	Anti-corruption, fair trade
	Supplier trade secret misappropriation risk	Trade secrets
	Export control compliance program	Export control

### Corruption Risk Review Process

Samsung Electronics operates a systemic risk review process in order to prevent corruption. Our External Sponsorship Council conducts preliminary reviews of all external sponsorships of KRW 10 million or above and reports review results to the Audit Committee. We manage corruption risks in our sponsorship practices by mandating that external sponsorships of KRW 1 billion or above in annual amounts receive the Board of Directors' approval.

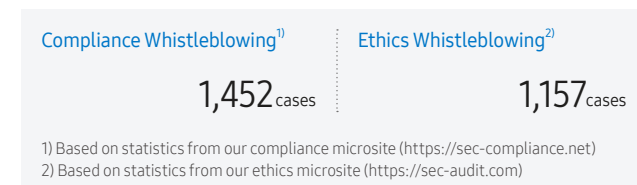
In addition, the Compliance Team's approval is required for new vendor registration and contract signing in line with the anti-corruption review process. Such processes block the possibility of corruption from the early stages of a transaction, and contribute to maintaining a fair and transparent business environment.

### Compliance and Ethics Whistleblowing Channel

Samsung Electronics provides multiple whistleblowing channels, including internal and external online reporting sites, email, telephone, and fax, to receive reports of actual or suspected compliance violations involving the Company or our employees from Samsung Electronics employees worldwide as well as external stakeholders. Under our strict policy of protecting the identity of whistleblowers and prohibiting retaliatory actions<sup>1)</sup>, we maintain a 24/7 reporting system that supports anonymous submissions.

Upon receiving a report, our Compliance Team conducts an investigation to confirm the facts and collaborates with relevant departments or compliance managers in global subsidiaries to process the report. If a violation or potential risk is identified, appropriate disciplinary measures (e.g., warnings and dismissal) are taken against the individuals involved and responsible personnel, depending on the severity of the case. We also implement targeted training, as well as process and system improvements, to prevent recurrence. Throughout the entire process, from the receipt of the report to the investigation and subsequent measures, we strictly adhere to our internal standards and management systems. The operational results of this system are then reported to leadership, including the Board of Directors and the Audit Committee.

1) Content specified in internal regulations of 'confidentiality of whistleblowers and report content' and 'prevention and suspension of any unfavorable dispositions against whistleblowers and investigation supporters, remedial actions for damage, and sanctions on those who perform disadvantageous measures'



### Legal Risks, Compliance Control System Effectiveness Assessment

We categorize major violations of laws and regulations in major compliance topics like fair trade and anti-corruption, analyzing their likelihood and impact to select major risks and reflecting the results of this risk assessment in compliance programs such as employee training. We also evaluate whether our compliance control system is operated in accordance with applicable regulations. Evaluation results are reported to the Board of Directors.

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## Economic Performance

Key Financial Performance <sup>1)</sup>		2023	2024	2025
Sales	KRW 1 trillion	258.9	300.9	333.6
Operating profit	KRW 1 trillion	6.6	32.7	43.6
Net income	KRW 1 trillion	15.5	34.5	45.2

1) Based on consolidated financial statements

Sales by Division <sup>1)</sup>		2023	2024	2025
<b>[Sales by division (absolute value)]</b>				
DX Division	KRW 1 trillion	170.0	174.9	188.0
DS Division	KRW 1 trillion	66.6	111.1	130.1
SDC	KRW 1 trillion	31.0	29.2	29.8
Harman <sup>2)</sup>	KRW 1 trillion	14.4	14.3	15.8
<b>[Sales by division (percentage)]</b>				
DX Division	%	60	53	52
DS Division	%	24	34	36
SDC	%	11	9	8
Harman	%	5	4	4

1) Based on net sales

2) Acquired in 2016

Sales by Region <sup>1)</sup>		2023	2024	2025
<b>[Sales by region (absolute value)]</b>				
Americas	KRW 1 trillion	92.1	118.8	133.3
Europe	KRW 1 trillion	48.1	50.1	53.3
Korea	KRW 1 trillion	45.6	39.8	46.6
Asia and Africa <sup>2)</sup>	KRW 1 trillion	73.1	92.1	100.4
<b>[Sales by region (percentage)]</b>				
Americas	%	35	39	40
Europe	%	19	17	16
Korea	%	18	13	14
Asia and Africa	%	28	31	30

1) Based on net sales

2) Starting from the 2024 report, China figures combined into Asia and Africa values

Economic Value Distribution		2023	2024	2025
<b>[Suppliers]</b>				
Purchasing costs	KRW 1 trillion	212.8	226.1	242.7
<b>[Local communities]</b>				
CSR costs	KRW 1 trillion	0.4	0.3	0.4
<b>[Shareholders &amp; Investors]</b>				
Dividends	KRW 1 trillion	9.8	9.8	11.1
Dividend payout ratio	%	68	29	25
<b>[Creditors]</b>				
Interest costs	KRW 1 trillion	0.9	0.9	0.6
<b>[Employees]</b>				
Personnel expenses	KRW 1 trillion	38.0	40.5	45.5
<b>[Government]</b>				
Taxes and public duties by region	KRW 1 trillion	8.2	8.2	8.9
Asia	%	19.1	21.2	25.3
Korea	%	58.1	36.6	52.6
Americas and Europe	%	21.5	40.7	21.2
Others	%	1.3	1.5	0.9
<b>[Percentage of distributed economic value]</b>				
Suppliers <sup>1)</sup>	%	78.8	79.1	78.5
Local communities <sup>2)</sup>	%	0.2	0.1	0.1
Shareholders and Investors <sup>3)</sup>	%	3.6	3.4	3.6
Creditors <sup>4)</sup>	%	0.3	0.3	0.2
Employees <sup>5)</sup>	%	14.1	14.2	14.7
Government <sup>6)</sup>	%	3.0	2.9	2.9

1) Suppliers: Costs related to all materials, products, equipment, and services purchased for businesses

2) Local communities: Total costs of CSR activities

3) Shareholders and investors: Dividends

4) Creditors: Interest costs

5) Employees: Sum of wages, retirement benefits, and welfare benefits included in sales costs, SG&A expenses, and R&D expenses

6) Government: Sum of corporate taxes (based on cash flow statement) and other taxes and public duties

## Social Performance

Employee Status		2023	2024	2025
<b>Number of employees<sup>1)</sup></b>	<b>Individuals</b>	<b>267,860</b>	<b>262,647</b>	<b>259,149</b>
Global	Individuals	147,104	137,350	134,585
Korea	Individuals	120,756	125,297	124,564
<b>[Number of employees by employment type]</b>				
Non-fixed-term employees	Individuals	264,525	259,434	255,734
Fixed-term employees <sup>2)</sup>	Individuals	3,335	3,213	3,415
<b>[Number of employees by age group]<sup>3)</sup></b>				
Under 30	Individuals	72,525	63,531	53,315
30 - 50	Individuals	178,532	180,793	185,507
51 and above	Individuals	16,803	18,323	20,327
<b>[Number of employees by job type]</b>				
Development	Individuals	83,729	88,984	89,150
Manufacturing	Individuals	109,722	105,571	102,512
Quality assurance and EHS	Individuals	21,386	18,731	18,524
Sales and marketing	Individuals	25,136	23,466	23,711
Others	Individuals	27,887	25,895	25,252
<b>[Number of employees by rank]</b>				
Working level <sup>4)</sup>	Individuals	174,060	164,895	158,359
Manager level	Individuals	92,315	96,294	99,363
Executive level <sup>5)</sup>	Individuals	1,485	1,458	1,427
<b>[Number of employees by region]</b>				
Korea	Individuals	120,756	125,297	124,564
Asia (Southeast Asia, Southwest Asia, China, Japan)	Individuals	100,938	95,501	93,114
North America and Latin America	Individuals	27,882	25,100	24,219
Europe	Individuals	12,001	11,500	11,214
CIS (Commonwealth of Independent States)	Individuals	1,611	788	761
Middle East and Africa	Individuals	4,672	4,461	5,277
<b>Number of non-Samsung Electronics employees<sup>6)</sup></b>	<b>Individuals</b>	<b>62,250</b>	<b>59,693</b>	<b>64,216</b>
Men	Individuals	36,734	35,581	38,571
Women	Individuals	20,383	18,604	20,316
Others <sup>7)</sup>	Individuals	5,133	5,508	5,329
<b>[Number of non-Samsung Electronics employees by region]</b>				
Korea	Individuals	43,902	42,589	44,439
Asia (Southeast Asia, Southwest Asia, China, Japan)	Individuals	7,669	6,713	9,031
North America and Latin America	Individuals	3,711	3,667	3,662
Europe	Individuals	5,479	5,115	5,451
CIS	Individuals	504	515	572
Middle East and Africa	Individuals	985	1,094	1,061

Retirement Rate <sup>8)</sup>		2023	2024	2025
<b>Total retirement rate<sup>9)</sup></b>	<b>%</b>	<b>10.6</b>	<b>10.1</b>	<b>8.6</b>
Men	%	5.9	6.3	5.5
Women	%	4.6	3.8	3.1
<b>Korean Retirement Rate</b>	<b>%</b>	<b>2.1</b>	<b>2.1</b>	<b>2.5</b>
<b>[Gender]</b>				
Men	%	1.7	1.6	1.9
Women	%	0.5	0.5	0.6
<b>[Age]</b>				
Under 30	%	0.4	0.4	0.6
30 - 50	%	0.9	1.0	1.2
51 and above	%	0.8	0.7	0.8
<b>Global Retirement Rate</b>	<b>%</b>	<b>17.4</b>	<b>17.0</b>	<b>14.2</b>
<b>[Gender]</b>				
Men	%	9.4	10.4	8.8
Women	%	8.0	6.6	5.4
Others <sup>10)</sup>	%	0.02	0.02	0.03
<b>[Age]</b>				
Under 30	%	9.0	7.2	6.7
30 - 50	%	7.9	8.8	6.8
51 and above	%	0.5	1.0	0.7

- 1) Number of employees: As of year end (excluding those dispatched by partner companies, on leave, interns, and full-time students)
- 2) Fixed-term employees (Number of employees by employment type): Those hired pursuant to the Act on the Protection of Fixed-Term and Part-Time Employees at our business sites in Korea and subcontractors and apprentices at our global business sites
- 3) Number of employees by age group: Change in age group aggregation criteria based on global disclosure standards (GRI, ESRS, etc.)
- 4) Working level employees: Encompassing those opting for flexible work arrangements and those not categorized under the manager and executive levels
- 5) Executive level employees (Number of employees by rank): Including those at the vice president level or higher (excluding Masters, Fellows, and advisors) at our Korean business sites and at the vice president level and higher at our global business sites (Including global advisors since 2023)
- 6) Number of non-Samsung Electronics employees: Including those hired or dispatched by partner companies, interns (including those experiencing work for educational or training purposes) at global sites
- 7) Others: Those who chose not to indicate their gender
- 8) Retirement Rate: Ratio of employees who retired during the fiscal year compared to the average number of employees.
- 9) Overall Retirement Rate: Rate based on all Korean and global employees.
- 10) Others: Based on employees who did not disclose their gender

Inclusion and Diversity		2023	2024	2025
Percentage of female employees <sup>1)</sup>	%	33.7	33.1	33.0
<b>[Percentage of female employees by job type]</b>				
Development	%	19.2	19.7	19.9
Manufacturing	%	43.0	41.8	41.7
Quality assurance and EHS	%	38.6	38.8	39.0
Sales and marketing	%	34.0	35.2	35.7
Others	%	36.8	37.0	37.1
<b>[Percentage of female employees by region]</b>				
Korea	%	25.3	25.8	25.9
Asia (Southeast Asia, Southwest Asia, China, Japan)	%	44.2	43.1	43.1
North America and Latin America	%	33.6	33.6	33.7
Europe	%	34.0	33.3	33.3
CIS	%	41.8	36.0	37.5
Middle East and Africa	%	20.4	18.9	16.3
<b>[Percentage of female employees by rank]</b>				
Working Level	%	42.5	41.9	42.1
Manager Level	%	17.6	18.2	18.9
Executive Level <sup>2)</sup>	%	7.3	7.4	7.4
<b>[Percentage of new female hires]</b>				
Korea	%	28.1	29.5	29.3
Global	%	28.4	30.0	29.5
Number of employees on parental leave <sup>3)</sup>	Individuals	4,477	4,892	5,435
Men	Individuals	1,304	1,510	2,022
Women	Individuals	3,173	3,382	3,413
<b>[Rate of return to work after parental leave]<sup>4)</sup></b>				
Men	%	97.7	96.6	98.3
Women	%	99.0	99.5	99.4

		2023	2024	2025
<b>[In-house daycare centers maximum capacity]</b>				
In-house daycare centers maximum capacity <sup>5)</sup>	Individuals	2,642	2,937	3,157
Number of in-house daycare centers <sup>6)</sup>	Count	11	12	13
<b>[Number of employees with disabilities]</b>				
Number of employees with disabilities <sup>7)</sup>	Individuals	1,931	1,999	2,146
<b>[Percentage of employees with disabilities]</b>				
Percentage of employees with disabilities <sup>8)</sup>	%	1.8	1.9	2.1
<b>[Welfare benefit expenses in Korea and abroad]</b>				
Welfare benefit expenses in Korea and abroad	KRW 1 billion	6,473	6,778	7,404

1) Percentage of female employees: Based on the total number of employees

2) Executive level employees: Including those at the vice president level or higher (excluding Masters, Fellows, and advisors) at our Korean business sites and at the vice president level and higher at our global business sites (Including global advisors since 2023)

3) Number of employees on parental leave: Based on the number of employees in Korea

4) Rate of return to work after parental leave: Based on the number of employees at business sites in Korea

5) In-house daycare centers maximum capacity: Based on our business sites in Korea; limited to Samsung Electronics operated daycare centers excluding Samsung Display operated daycare centers

6) Number of in-house daycare centers: Based on our business sites in Korea; limited to Samsung Electronics operated daycare centers excluding Samsung Display operated daycare centers

7) Number of employees with disabilities: Based on the number of employees in Korea (including those hired by our subsidiary standard workplace for people with disabilities since 2023)

8) Percentage of employees with disabilities: Based on the number of employees in Korea, as reported to the Korea Employment Agency for Persons with Disabilities (including those hired by our subsidiary standard workplace for people with disabilities since 2023)

Safety and Health		2023	2024	2025
LTIR <sup>1)</sup>	-	0.023	0.022	0.018
Supplier LTIR <sup>2)</sup>	-	0.064	0.035	0.062
Major accidents	Count	-	-	-

1) LTIR (Lost-Time Injuries Rate): Based on accidents resulting in one or more days of absence and workplace accidents (excluding daily life)

2) Supplier LTIR (Lost-Time Injuries Rate): Based on accidents resulting in one or more days of absence and workplace accidents (excluding daily life) that occurred at Korean suppliers stationed at our sites

Talent training		2023	2024	2025
<b>Number of training sessions</b>	<b>10,000 cases</b>	<b>950</b>	<b>936</b>	<b>805</b>
Global	10,000 cases	487	522	533
Korea	10,000 cases	463	414	272
<b>[Hours of training per employee]<sup>1)</sup></b>				
Global	hours	58.2	66.8	61.9
Korea	hours	77.5	61.2	59.6
<b>[Average hours of training by gender]</b>				
Men	hours	66.0	61.6	57.4
Women	hours	68.6	69.0	67.7
<b>[Average hours of training by employment type]</b>				
Regular employees	hours	67.3	64.5	60.8
Non-regular employees <sup>2)</sup>	hours	42.4	42.3	59.9
<b>[Training expenses]</b>				
Total training expenses <sup>3)</sup>	KRW 100 million	2,090	2,404	1,990
Training expenses per employee <sup>4)</sup>	KRW 1,000	1,731	1,919	1,598
Ratio of training expenses to sales <sup>5)</sup>	%	0.08	0.08	0.06
Ratio of training expenses to personnel expenses <sup>6)</sup>	%	0.5	0.6	0.4
<b>[Re-employment through the Career Consulting Center]<sup>7)</sup></b>				
Re-employment applicants <sup>8)</sup>	Cases	8,838	9,300	9,791
Re-employed <sup>9)</sup>	Cases	7,653	8,001	8,356
Rate of Re-employment	%	86.6	86.0	85.3

1) Hours of training per employee: Online training + offline training

2) Non-regular employees: Figure calculated based on the Fixed-term Employment Act in Korea, as sum of contractors + apprentices globally.

3) Total training expenses: Employees in Korea

4) Training expenses per employee: Total training expenses / Total number of employees in Korea

5) Ratio of training expenses to sales: Total training expenses / Sales (sales of DX division (absolute value) + sales of DS division (absolute value))

6) Ratio of training expenses to personnel expenses: Total training expenses / Total compensation for HQ employees

7) When preparing the current report, the 2024 data was revised and disclosed after verifying the data attributable to 2024

8) Re-employment applicants through the Career Development Center: Cumulative sum since 2001

9) Re-employed individuals through the Career Development Center: Cumulative sum since 2001

Sustainable Supply Chain		2023	2024	2025
<b>[Global network]</b>				
Global number of suppliers <sup>1)</sup>	Companies	2,515	2,503	2,473
<b>[Comprehensive supplier evaluation]</b>				
Percentage of evaluated suppliers <sup>2)</sup>	%	92	92	92
Percentage of suppliers rated outstanding	%	71	75	75
Percentage of suppliers with environmental management system (ISO 14001, etc.) certification <sup>3)</sup>	%	87	90	91
Percentage of suppliers with health and safety management system (ISO 45001, etc.) certification <sup>4)</sup>	%	51	59	66
<b>[Global Purchasing Code of Conduct compliance]</b>				
Korean SME suppliers paid 100% within 10 days	Companies	574	579	574
<b>Supply Chain Work Environment Management</b>				
First-tier suppliers	Companies	93	90	122
Second-tier suppliers	Companies	9	33	39
<b>Transparency in Responsible Minerals Sourcing Management</b>				
On-site audits of suppliers <sup>5)</sup>	Companies	315	202	219
<b>[Supplier incentives]</b>				
Supplier incentives	KRW 100 million	650	394	445
<b>Companies participating in supplier training<sup>6)</sup></b>	<b>Companies</b>	<b>1,739</b>	<b>1,754</b>	<b>2,148</b>
First-tier suppliers	Companies	1,114	1,061	1,332
Sub-suppliers	Companies	625	693	816
<b>Employees participating in supplier training<sup>7)</sup></b>	<b>Individuals</b>	<b>32,566</b>	<b>34,235</b>	<b>59,498</b>
First-tier suppliers	Individuals	30,417	32,244	55,564
Sub-suppliers	Individuals	2,149	1,991	3,934
<b>Innovation Support for First-tier Suppliers<sup>8)</sup></b>	<b>Companies</b>	<b>91</b>	<b>137</b>	<b>195</b>
Korea	Companies	88	132	189
Global	Companies	3	14	6
<b>Win-Win Fund support</b>	<b>KRW 100 million</b>	<b>10,359</b>	<b>10,640</b>	<b>10,329</b>
First-tier suppliers	KRW 100 million	6,953	7,315	7,066
Sub-suppliers	KRW 100 million	3,406	3,325	3,263

1) Global number of suppliers: Sum of suppliers by country

2) Percentage of evaluated suppliers: Annual comprehensive supplier evaluation in 7 areas applies to all suppliers, except for those registered for less than a year

3) Percentage of suppliers with environmental management system (ISO 14001, etc.) certification: Fulfillment of ISO 14001 or equivalent is required as part of the Standard Supplier Contract

4) Percentage of suppliers with health and safety system (ISO45001, etc.) certification: Includes 23 suppliers with SA8000 certification

5) On-site audits of suppliers aimed at eradicating the use of conflict minerals

6) Companies participating in supplier training: Sum of Partner Collaboration Academy training cases between DX and DS Divisions, including overlap, accounts for DS Division Partner Collaboration Academy training progress

7) Employees participating in supplier training: Sum of Partner Collaboration Academy training cases between DX and DS Divisions, including overlap, accounts for DS Division Partner Collaboration Academy training progress; Semiconductor training support staff performance added to disclosure since 2025

8) Innovation support for first-tier suppliers: Sum of consulted DX Division suppliers and component equipment consulting supported DS Division suppliers

[Supplier Third-Party Audit Compliance Rate by Area](#)

Corporate Citizenship		2023	2024	2025
<b>[Employee volunteer hours]</b>				
Total employee volunteer hours <sup>1)</sup>	Hours	652,677	730,053	588,899
Volunteer hours per employee	Hours	2.44	2.78	2.27
<b>[Cumulative number of beneficiaries]<sup>2)</sup></b>				
Samsung SW-AI Academy For Youth	Individuals	8,550	10,750	12,750
Samsung Dream Class	Individuals	124,604	128,731	131,637
Samsung Stepping Stone of Hope <sup>3)</sup>	Individuals	27,111	41,828	56,920
Samsung Blue Elephant	Individuals	940,029	1,340,198	1,622,043
Samsung Solve for Tomorrow	Individuals	2,619,592	2,889,290	3,317,934
Samsung Innovation Campus	Individuals	177,619	212,850	265,732
<b>[Beneficiaries of smart factory support]</b>				
Partner companies in our supply chains	Companies	194	178	175
Non-partner small and medium enterprises <sup>4)</sup>	Companies	168	161	161

1) Total employee volunteer hours: Including employees at all of our business sites in Korea and other regions

2) Korean youth education programs jointly operated by all Samsung member companies; programs not supported in 2024 (Samsung Smart School, Samsung Junior SW Academy) are excluded

3) When preparing the current report, the 2023, 2024 data was revised and disclosed after verifying the data attributable to 2023, 2024

4) 2024 figures updated following the suspension of smart factory projects by 3 companies after the publication of the 2025 Sustainability Report

Privacy Protection		2023	2024	2025
<b>[In-house consulting]</b>				
In-house consulting	Cases	8,302	8,170	8,897
<b>[Responses to government request for information]<sup>1)</sup></b>				
Requests	Cases	594	400	503
Responses	Cases	456	236	224
Response rate	%	77	59	45

1) Response to government requests for information: Compiled statistical data with regards to warrants issued by Korean courts in accordance with applicable Korean laws

Compliance and Ethics		2023	2024	2025
<b>[Compliance training]</b>				
Compliance training <sup>1)</sup>	Individuals	138,742	138,414	272,969
<b>[Anti-corruption training]</b>				
Anti-corruption training <sup>2)</sup>	Individuals	254,511	254,003	237,227
<b>[Compliance whistleblowing]</b>				
Compliance whistleblowing <sup>3)</sup>	Cases	1,400	1,238	1,452
<b>[Corruption whistleblowing]</b>				
Corruption whistleblowing <sup>4)</sup>	Cases	892	930	1,157
Corruption whistleblowing rate	%	16	13	14
Consumer complaint rate	%	36	30	32
Others	%	49	57	54

1) Scope of data collection for compliance training: Employees at our business sites in Korea (including part-time employees, including duplicates). Global employees included from 2025.

2) Scope of data collection for anti-corruption training: Employees at our business sites in Korea and other regions

3) Compliance whistleblowing: Based on statistics from our compliance microsite <https://sec-compliance.net>

4) Corruption whistleblowing: Based on statistics from our ethics microsite <https://sec-audit.com>

## Environmental Performance

GHG Emission Management (Scope 1 and 2) <sup>1),2)</sup>		2023	2024	2025
Direct emissions (Scope 1)	1,000 tonnes CO <sub>2</sub> e	3,733	4,725	4,646
Indirect emissions (Scope 2, Market based)	1,000 tonnes CO <sub>2</sub> e	9,558	10,164	9,511
Indirect emissions (Scope 2, Region based)	1,000 tonnes CO <sub>2</sub> e	14,570	15,011	15,042
GHG emissions intensity <sup>3),4)</sup>	1,000 tonnes CO <sub>2</sub> e	6	5	4
<b>GHG emissions by source<sup>4)</sup></b>	<b>1,000 tonnes CO<sub>2</sub>e</b>	<b>13,291</b>	<b>14,889</b>	<b>14,157</b>
CO <sub>2</sub>	1,000 tonnes CO <sub>2</sub> e	10,778	11,415	10,763
CH <sub>4</sub>	1,000 tonnes CO <sub>2</sub> e	3	4	6
N <sub>2</sub> O	1,000 tonnes CO <sub>2</sub> e	540	265	226
HFCs	1,000 tonnes CO <sub>2</sub> e	314	564	342
PFCs	1,000 tonnes CO <sub>2</sub> e	1,533	913	994
SF <sub>6</sub>	1,000 tonnes CO <sub>2</sub> e	124	484	285
NF <sub>3</sub> <sup>1)</sup>	1,000 tonnes CO <sub>2</sub> e	-	1,245	1,541

1) Calculations were performed for Korean and global manufacturing sites, and refrigerant, wastewater, new gases, and escaped emissions were additionally calculated starting from 2024. NF<sub>3</sub> emissions (one of the 7 major greenhouse gas sources according to international standards) disclosed starting in 2025.

2) When calculating Korean indirect emissions for 2025, the latest national electricity emission factors published by the National Greenhouse Gas Information & Research Center in December 2025 were applied; however, when calculating emissions for 2023–2024, the national electricity emission factors published in January 2019, which are utilized in the Greenhouse Gas Emission Trading System, were applied.

3) GHG emissions intensity: GHG emissions from business sites (Scope 1 and 2) / Sales (sales of DX division (absolute value) + sales of DS division (absolute value), KRW 100 million)

4) Based on Scope 1 emissions + Scope 2 emissions (market-based)

GHG Emission Management (Scope 1 and 2) <sup>1),2)</sup>		2023	2024	2025
<b>Scope 3 emissions</b>	<b>1,000 tonnes CO<sub>2</sub>e</b>	<b>107,035</b>	<b>100,703</b>	<b>103,388</b>
Purchased products and services	1,000 tonnes CO <sub>2</sub> e	11,514	10,827	10,945
Capital goods	1,000 tonnes CO <sub>2</sub> e	3,125	2,308	3,165
Fuel- and energy-related activities not included in Scope 1 or Scope 2	1,000 tonnes CO <sub>2</sub> e	2,664	2,778	2,915
Upstream transportation and distribution	1,000 tonnes CO <sub>2</sub> e	4,382	4,162	3,667
Waste Generated in Operations	1,000 tonnes CO <sub>2</sub> e	164	153	156
Business travel	1,000 tonnes CO <sub>2</sub> e	108	153	92
Employee commuting	1,000 tonnes CO <sub>2</sub> e	298	293	372
Upstream leased assets	1,000 tonnes CO <sub>2</sub> e	15	12	11
Downstream transportation and distribution	1,000 tonnes CO <sub>2</sub> e	40	43	261
Processing of sold products	1,000 tonnes CO <sub>2</sub> e	98	321	336
Use of sold products	1,000 tonnes CO <sub>2</sub> e	83,116	77,712	79,582
End of life treatment of sold products	1,000 tonnes CO <sub>2</sub> e	1,339	1,721	1,644
Downstream leased assets	1,000 tonnes CO <sub>2</sub> e	3	2	5
Investments	1,000 tonnes CO <sub>2</sub> e	169	218	237

1) Data used for calculating some Scope 3 emissions (purchased goods and services, capital goods) are calculated based on previous year's data when suppliers' emissions data was available.

2) Existing 2023 and 2024 data revised after improving calculation methods and standards, such as expanding the scope of some Scope 3 categories (capital goods, fuel-and energy-related activities, upstream transport and distribution, downstream transport and distribution, use of sold products, downstream leased assets) and applying the latest emission factors.

### Scope 3 Calculation Methodology by Category

Category	Calculation Methodology
1. Purchased products and services	Hybrid method using supplier-specific and spend-based data; - supplier-specific method applied to over 90% of total spend.
2. Capital goods	Supplier-specific data applied for semiconductor equipment; other capital goods estimated using spend-based method.
3. Fuel- and energy-related activities not included in Scope 1 or 2	Calculated based on energy consumption at global manufacturing sites; applied country- and fuelspecific emission factors.
4. Upstream transportation and distribution	Hybrid method applied depending on transport segment - Korean transport (supplier-specific), international transport (distance-specific), non-Korean inland transport (cost-specific)
5. Waste generated in operations	Waste-type-specific method
6. Business travel	Distance-based calculation by travel mode
7. Employee commuting	Distance-based calculation by commuting mode

Category	Calculation Methodology
8. Upstream leased assets	Spend-based method applied for small-scale/short-term lease contracts
9. Downstream transportation and distribution	Distance-based method
10. Processing of sold products	Estimated based on average electricity consumption during downstream processing of sold product
11. Use of sold products	Calculated lifetime use-phase emissions using labeled energy consumption for each product sold globally.
12. End of life treatment of sold products	Estimated based on material composition of sold products and waste treatment-specific emission factors.
13. Downstream leased assets	Estimated using average electricity consumption by downstream leased asset type
14. Franchises	No franchise operations
15. Investments	Hybrid method applied depending on equity share - Investee with equal to or greater than 20% ownership: supplier-specific method - Investee with less than 20% ownership: combination of supplier-specific and spend-based methods

Energy Management <sup>1)</sup>		2023	2024	2025
Energy consumption at business sites	GWh	36,399	38,772	40,249
Electricity	GWh	29,956	32,083	33,509
Korea	GWh	23,217	25,111	26,618
China	GWh	3,304	3,451	3,301
India	GWh	161	171	192
Southeast Asia	GWh	1,522	1,663	1,627
Americas	GWh	1,579	1,514	1,578
Europe	GWh	126	121	127
Africa and Middle East	GWh	47	53	66
Others <sup>2)</sup>	GWh	6,443	6,688	6,740
Energy intensity <sup>3)</sup>	MWh/ KRW 100 million	15.4	13.5	12.7
Renewable energy (electricity) consumption <sup>4)</sup>	GWh	9,289	10,069	10,886
Renewable energy (electricity) transition rate	%	31.0	31.4	32.5

1) Calculated for Korean and global manufacturing sites

2) Others (Energy consumption at business sites): Steam, LNG, LPG, petrol, diesel, geothermal (starting in 2025)

3) Energy intensity: Energy consumption at business sites (MWh) / Sales (sales of DX division (absolute value) + sales of DS division (absolute value), KRW 100 million)

4) Excluding geothermal energy, 2025 geothermal energy usage: DX Division 1.2GWh, DS Division 3.9GWh

Product Energy Efficiency Improvement		2023	2024	2025
Product energy consumption reduction rate <sup>1)</sup>	%	25.1	31.5	34.4

1) Product energy consumption reduction rate for each year relative to 2019 identical performance/specification models for 7 major product categories

Resource Efficiency of Products		2023	2024	2025
<b>[Recycled plastic]</b>				
Cumulative use <sup>1)</sup>	Tonnes	567,056	768,811	989,255
Amount used by year	Tonnes	157,939	201,755	220,444
Percentage of recycled plastics used <sup>2)</sup>	%	25.0	31.0	33.7
<b>[Recycled packaging]</b>				
Recycled packaging <sup>3)</sup>	Tonnes	15,273	16,399	16,030

1) Cumulative use from 2009

2) Weight based ratio of parts with recycled plastic from total plastic parts developed by the DX Division. Pure recycled plastic ratios differ by part

3) Recycled packaging: based on data collected in Korea

Amount of e-Waste Collected and Recycled		2023	2024	2025
Cumulative amount of e-waste collected <sup>1)</sup>	Tonnes	6,297,161	6,908,516	7,544,747
<b>Amount of e-waste collected</b>	<b>Tonnes</b>	<b>599,153</b>	<b>611,354</b>	<b>636,231</b>
Asia and Oceania	Tonnes	235,197	250,057	267,775
Americas	Tonnes	54,014	59,405	59,838
Europe	Tonnes	309,942	301,893	308,618
<b>Amount of e-waste collected by year and product type<sup>2)</sup></b>	<b>Tonnes</b>	<b>140,162</b>	<b>141,582</b>	<b>159,890</b>
Heat exchanger	Tonnes	89,754	75,085	83,280
Display	Tonnes	12,840	11,282	11,263
Telecommunications service equipment	Tonnes	2,155	2,178	1,866
Other electric and electronics equipment	Tonnes	35,414	53,037	63,481
<b>Amount of materials recovered for recycling<sup>3)</sup></b>	<b>Tonnes</b>	<b>117,025</b>	<b>118,150</b>	<b>133,660</b>
Scrap metals	Tonnes	61,422	61,677	72,680
Nonferrous metals	Tonnes	12,356	13,281	14,419
Synthetic resin	Tonnes	35,752	35,909	39,180
Glass	Tonnes	3,183	3,311	3,602
Others	Tonnes	4,312	3,972	3,779

1) Cumulative amount of e-waste collected from 2009

2) Amount of e-waste collected by year and product type: Based on data collected in Korea

3) Amount of materials recovered for recycling: Based on data collected in Korea

Waste Management		2023	2024	2025
<b>Amount of waste generated</b>	<b>Tonnes</b>	<b>1,314,923</b>	<b>1,348,979</b>	<b>1,420,912</b>
General waste	Tonnes	881,175	910,510	964,140
Hazardous waste <sup>1)</sup>	Tonnes	433,748	438,469	456,771
<b>Amount of waste treated</b>	<b>Tonnes</b>	<b>1,314,923</b>	<b>1,348,979</b>	<b>1,420,912</b>
General waste disposal	Tonnes	881,175	910,510	964,140
Recovered for recycling	Tonnes	856,390	894,039	948,902
Incineration (off-site)	Tonnes	21,091	14,114	13,460
Landfill (off-site)	Tonnes	3,360	1,074	912
Others	Tonnes	334	1,282	867
Hazardous waste disposal	Tonnes	433,748	438,469	456,771
Recovered for recycling	Tonnes	420,273	424,150	444,347
Incineration (off-site)	Tonnes	9,917	12,216	11,847
Landfill (off-site)	Tonnes	1,262	620	80
Others	Tonnes	2,297	1,485	498
Percentage of waste recovered for recycling	%	97	98	98

1) Hazardous Waste (Amount of waste generated): Applied monitoring standards of the country where each business site is located

Water Management		2023	2024	2025
<b>Water Withdrawal</b>	<b>1,000 tonnes</b>	<b>177,361</b>	<b>188,540</b>	<b>197,720</b>
Municipal water (surface water) <sup>1)</sup>	1,000 tonnes	176,575	187,639	196,816
Groundwater <sup>2)</sup>	1,000 tonnes	786	902	904
<b>Wastewater discharge</b>	<b>1,000 tonnes</b>	<b>142,995</b>	<b>152,109</b>	<b>158,660</b>
<b>Water reused<sup>3)</sup></b>	<b>1,000 tonnes</b>	<b>122,891</b>	<b>127,994</b>	<b>134,011</b>
<b>[Ultra-pure water reused]</b>				
Supply	1,000 tonnes	71,487	74,784	78,817
Recovery	1,000 tonnes	22,004	23,025	25,156
<b>Suppliers' water consumption<sup>4)</sup></b>	<b>1,000 tonnes</b>	<b>97,482</b>	<b>88,467</b>	<b>86,552</b>

1) Includes external wastewater treatment

2) Some rainwater usage included in groundwater data

3) Revised 2024 data after identification of omissions and duplicates in some past water reuse data during the automated calculation process for water reuse by global subsidiaries

4) Suppliers' water consumption: Based on the water consumption for Samsung Electronics product manufacturing by the top 90% of suppliers in terms of transaction scale and key suppliers

[Available Water Resources by Region](#)

Chemical Substance Management <sup>1)</sup>		2023	2024	2025
Chemical consumption <sup>2)</sup>	1,000 tonnes	518	551	574
Major hazardous substances leakages	Cases	-	-	-

1) Scope of data collection: Korea

2) Chemicals consumption: calculation criteria changed to PRTR standard starting from 2018 \*PRTR: Pollutant Release and Transfer Register, dealing with chemical substance emission and transfer information

Workplace Environment Management		2023	2024	2025
Investment in EHS	KRW 100 million	20,284	23,488	19,917
Violations of environment-related laws and regulations	Cases	1	2	-

Pollutant Management		2023	2024	2025
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#### [Air pollutant emissions]

NOx	Tonnes	720	729	595
SOx	Tonnes	43	35	34
NH <sub>3</sub>	Tonnes	125	104	112
HF	Tonnes	16	14	16
PM <sup>1)</sup>	Tonnes	142	90	96
Volatile organic compound emissions <sup>2)</sup>	Tonnes	398	561	314

#### [Water pollutant discharge]

TOC (Korea) <sup>3)</sup>	Tonnes	294	319	399
COD (Global)	Tonnes	534	649	308
BOD	Tonnes	412	427	489
SS	Tonnes	931	816	1,172
F	Tonnes	626	488	555
Heavy metals	Tonnes	17	11	12
Consumption of ozone depleting substances (CFC-eq) <sup>4)</sup>	Tonnes	1	0.3	0.2

1) Previous dust emission disclosure standard changed

2) Revised 2024 data disclosed after identifying omission of some past volatile organic compound emissions during the automated pollutant calculation process of global subsidiaries

3) Applied data separately into Total Organic Carbon (TOC, Korea) and Chemical Oxygen Demand (COD, Global) starting from 2023

4) Scope of data collection: Korea

## Performance by Division

GHG Emission Management (Scope 1 and 2) <sup>1),2)</sup>		2023		2024		2025	
		DX Division	DS Division	DX Division	DS Division	DX Division	DS Division
Direct emissions (Scope 1)	1,000 tonnes CO <sub>2</sub> e	211	3,522	236	4,489	256	4,390
Indirect emissions (Scope 2, Market based)	1,000 tonnes CO <sub>2</sub> e	102	9,456	106	10,058	86	9,424
<b>GHG emission by source<sup>3)</sup></b>	<b>1,000 tonnes CO<sub>2</sub>e</b>	<b>313</b>	<b>12,978</b>	<b>342</b>	<b>14,546</b>	<b>343</b>	<b>13,814</b>
CO <sub>2</sub>	1,000 tonnes CO <sub>2</sub> e	311	10,467	314	11,101	294	10,469
CH <sub>4</sub>	1,000 tonnes CO <sub>2</sub> e	0.5	2	1	3	1	5
N <sub>2</sub> O	1,000 tonnes CO <sub>2</sub> e	1	539	1	264	2	224
HFCs	1,000 tonnes CO <sub>2</sub> e	-	314	26	538	46	296
PFCs	1,000 tonnes CO <sub>2</sub> e	0.2	1,532	0.3	912	-	994
SF <sub>6</sub>	1,000 tonnes CO <sub>2</sub> e	-	124	-	484	-	285
NF <sub>3</sub>	1,000 tonnes CO <sub>2</sub> e	-	-	-	1,245	-	1,541

1) Calculations were performed for Korean and global manufacturing sites, and refrigerant, wastewater, new gases, and escaped emissions were additionally calculated starting from 2024. NF<sub>3</sub> emissions (one of the 7 major greenhouse gas sources according to international standards) disclosed starting in 2025.

2) When calculating Korean indirect emissions for 2025, the latest national electricity emission factors published by the National Greenhouse Gas Information & Research Center in December 2025 were applied; however, when calculating emissions for 2023–2024, the national electricity emission factors published in January 2019, which are utilized in the Greenhouse Gas Emission Trading System, were applied.

3) Based on Scope 1 emissions + Scope 2 emissions (market-based)

GHG Emission Management (Scope 3) <sup>1),2)</sup>		2023		2024		2025	
		DX Division	DS Division	DX Division	DS Division	DX Division	DS Division
<b>Other indirect emissions (Scope 3)</b>	<b>1,000 tonnes CO<sub>2</sub>e</b>	<b>90,656</b>	<b>16,379</b>	<b>82,755</b>	<b>17,948</b>	<b>83,332</b>	<b>20,056</b>
Purchased products and services	1,000 tonnes CO <sub>2</sub> e	8,017	3,497	7,122	3,705	7,426	3,519
Capital goods	1,000 tonnes CO <sub>2</sub> e	396	2,729	304	2,004	157	3,008
Fuel- and energy-related activities not included in Scope 1 or Scope 2	1,000 tonnes CO <sub>2</sub> e	395	2,269	389	2,389	408	2,507
Upstream transportation and distribution	1,000 tonnes CO <sub>2</sub> e	4,209	173	3,979	183	3,463	204
Waste generated in operations	1,000 tonnes CO <sub>2</sub> e	42	122	35	118	35	121
Business travel	1,000 tonnes CO <sub>2</sub> e	79	29	112	41	69	23
Employee commuting	1,000 tonnes CO <sub>2</sub> e	216	82	208	85	297	75
Upstream leased assets	1,000 tonnes CO <sub>2</sub> e	12	3	9	3	9	2
Downstream transportation and distribution	1,000 tonnes CO <sub>2</sub> e	34	6	36	7	249	12
Processing of sold products	1,000 tonnes CO <sub>2</sub> e	-	98	154	167	100	236
Use of sold products	1,000 tonnes CO <sub>2</sub> e	75,760	7,356	68,496	9,216	69,259	10,323
End of life treatment of sold products	1,000 tonnes CO <sub>2</sub> e	1,338	1	1,719	2	1,641	3
Downstream leased assets	1,000 tonnes CO <sub>2</sub> e	2	1	1	1	4	1
Investments	1,000 tonnes CO <sub>2</sub> e	156	13	191	27	215	22

1) Data used for calculating some Scope 3 emissions (purchased goods and services, capital goods) are calculated based on previous year's data when suppliers' emissions data was available.

2) Existing 2023 and 2024 data revised after improving calculation methods and standards, such as expanding the scope of some Scope 3 categories (capital goods, fuel-and energy-related activities, upstream transport and distribution, downstream transport and distribution, use of sold products, downstream leased assets) and applying the latest emission factors.

Energy Management		2023		2024		2025	
		DX Division	DS Division	DX Division	DS Division	DX Division	DS Division
<b>Energy consumption at business sites</b>	<b>GWh</b>	<b>4,015</b>	<b>32,384</b>	<b>4,180</b>	<b>34,592</b>	<b>4,168</b>	<b>36,081</b>
Electricity	GWh	2,914	27,042	3,088	28,996	3,083	30,426
Others <sup>1)</sup>	GWh	1,101	5,342	1,092	5,596	1,086	5,655
Renewable energy (electricity) consumption <sup>2)</sup>	GWh	2,720	6,569	2,884	7,184	2,924	7,962
Renewable energy (electricity) transition rate	%	93.4	24.3	93.4	24.8	94.8	26.2

1) Others (Energy consumption at business sites): Steam, LNG, LPG, petrol, diesel, geothermal (starting in 2025)

2) Excluding geothermal energy, 2025 geothermal energy usage: DX Division 1.2GWh, DS Division 3.9GWh

		2023		2024		2025	
		DX Division	DS Division	DX Division	DS Division	DX Division	DS Division
<b>Product Energy Efficiency Improvement<sup>1)</sup></b>							
Product energy consumption reduction rate	%	25.1	-	31.5	-	34.4	-

1) Product energy consumption reduction rate for each year relative to 2019 identical performance/specification models for 7 major product categories

		2023		2024		2025	
		DX Division	DS Division	DX Division	DS Division	DX Division	DS Division
<b>Resource Efficiency of Products</b>							
<b>[Recycled plastic]</b>							
Cumulative use <sup>1)</sup>	Tonnes	567,056	-	768,811	-	989,255	-
Amount used by year	Tonnes	157,939	-	201,755	-	220,444	-
Percentage of recycled plastics used <sup>2)</sup>	%	25.0	-	31.0	-	33.7	-

**[Recycled packaging]**

Recycled packaging <sup>3)</sup>	Tonnes	15,273	-	16,399	-	16,030	-
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1) Cumulative use: from 2009

2) Weight based ratio of parts with recycled plastic from total plastic parts developed by the DX Division. Pure recycled plastic ratios differ by part

3) Recycled packaging; based on data collected in Korea

		2023		2024		2025	
		DX Division	DS Division	DX Division	DS Division	DX Division	DS Division
<b>Waste Management</b>							
<b>Amount of waste generated</b>	Tonnes	307,325	1,007,598	322,144	1,026,835	359,073	1,061,839
General waste	Tonnes	254,748	626,427	271,040	639,470	297,697	666,444
Hazardous waste	Tonnes	52,577	381,171	51,104	387,365	61,376	395,395
<b>Amount of waste treated</b>	Tonnes	307,325	1,007,598	322,144	1,026,835	359,073	1,061,839
General waste disposal	Tonnes	254,748	626,427	271,040	639,470	297,697	666,444
Recovered for recycling	Tonnes	237,414	618,976	258,755	635,284	285,676	663,226
Incineration (off-site)	Tonnes	14,231	6,860	10,435	3,679	10,953	2,507
Landfill (off-site)	Tonnes	2,769	591	572	502	207	704
Others	Tonnes	334	-	1,278	4	861	7
Hazardous waste disposal	Tonnes	52,577	381,171	51,104	387,365	61,376	395,395
Recovered for recycling	Tonnes	47,071	373,202	45,198	378,952	56,432	387,915
Incineration (off-site)	Tonnes	4,278	5,639	5,194	7,022	4,688	7,159
Landfill (off-site)	Tonnes	1,151	111	504	116	26	53
Others	Tonnes	77	2,220	208	1,277	229	268
Percentage of waste recovered for recycling	%	93	98	94	99	95	99

		2023		2024		2025	
		DX Division	DS Division	DX Division	DS Division	DX Division	DS Division
<b>Amount of e-Waste Collected and Recycled</b>							
Cumulative amount of e-waste collected <sup>1)</sup>	Tonnes	6,297,161	-	6,908,516	-	7,544,747	-
<b>Amount of e-waste collected</b>	Tonnes	599,153	-	611,354	-	636,231	-
Asia and Oceania	Tonnes	235,197	-	250,057	-	267,775	-
Americas	Tonnes	54,014	-	59,405	-	59,838	-
Europe	Tonnes	309,942	-	301,893	-	308,618	-
<b>Amount of e-waste collected by year and product type<sup>2)</sup></b>	Tonnes	140,162	-	141,582	-	159,890	-
Heat exchanger	Tonnes	89,754	-	75,085	-	83,280	-
Display	Tonnes	12,840	-	11,282	-	11,263	-
Telecommunications service equipment	Tonnes	2,155	-	2,178	-	1,866	-
Other electric and electronics equipment	Tonnes	35,414	-	53,037	-	63,481	-
<b>Amount of materials recovered for recycling<sup>3)</sup></b>	Tonnes	117,025	-	118,150	-	133,660	-
Scrap metals	Tonnes	61,422	-	61,677	-	72,680	-
Nonferrous metals	Tonnes	12,356	-	13,281	-	14,419	-
Synthetic resin	Tonnes	35,752	-	35,909	-	39,180	-
Glass	Tonnes	3,183	-	3,311	-	3,602	-
Others	Tonnes	4,312	-	3,972	-	3,779	-

1) Cumulative amount of e-waste collected from 2009

2) Amount of e-waste collected by year and product type: Based on data collected in Korea

3) Amount of materials recovered for recycling: Based on data collected in Korea

		2023		2024		2025	
		DX Division	DS Division	DX Division	DS Division	DX Division	DS Division
<b>Water Management</b>							
Total water withdrawn	1,000 tonnes	17,270	160,090	18,961	169,580	18,710	179,010
Municipal water (surface water) <sup>1)</sup>	1,000 tonnes	16,485	160,090	18,059	169,580	17,806	179,010
Groundwater	1,000 tonnes	786	-	902	-	904	-
Total water discharged	1,000 tonnes	13,042	129,953	15,446	136,663	15,198	143,462
Water reused <sup>2)</sup>	1,000 tonnes	3,470	119,421	2,737	125,257	2,704	131,307
<b>[Ultra-pure water reused]</b>							
Supply	1,000 tonnes	2,098	69,389	2,361	72,423	2,133	76,684
Recovery	1,000 tonnes	-	22,004	-	23,025	-	25,156
Suppliers' water consumption <sup>3)</sup>	1,000 tonnes	65,783	31,699	56,535	31,932	46,996	39,556

1) Includes external wastewater treatment

2) Revised 2024 data disclosed after identifying omissions and duplicates in some past water reuse data during the automation process of calculating water reuse by global subsidiaries

3) Suppliers' water consumption: Based on the water consumption for Samsung Electronics product manufacturing by the top 90% of suppliers in terms of transaction scale and key suppliers

		2023		2024		2025	
		DX Division	DS Division	DX Division	DS Division	DX Division	DS Division
<b>Chemical Substance Management<sup>1)</sup></b>							
Chemical substance use <sup>2)</sup>	1,000 tonnes	6	512	6	545	5	569
Discharge of major hazardous substances	Cases	-	-	-	-	-	-

1) Scope of data collection: Korea

2) Chemicals consumption: calculation criteria changed to PRTR standard starting from 2018 \*PRTR: Pollutant Release and Transfer Register, dealing with chemical substance emission and transfer information

		2023		2024		2025	
		DX Division	DS Division	DX Division	DS Division	DX Division	DS Division
<b>Workplace Environment Management</b>							
Investment in EHS	KRW 100 million	1,117	19,167	1,304	22,184	1,174	18,743
Violations of environment-related laws and regulations	Cases	1	-	-	2 <sup>1)</sup>	-	-

1) 1. Samsung Electronics received a fine of 6 million KRW for violating Article 31, Section 1 (Reporting on Subcontracting of Hazardous Chemical Handling) of the Chemical Substances Control Act, related to the potassium hydroxide contact incident that occurred at the Cheonan site on September 19, 2024. The fine was voluntarily paid. To prevent recurrence, we are taking measures such as conducting a full review of subcontracting reports for all production equipment installation and maintenance companies, in compliance with relevant regulations.

2. On 18 June 2021, the Texas Commission on Environmental Quality (TCEQ) issued a Notice of Corrective Action regarding a failure to report on wafer shredding equipment at the Samsung Austin Semiconductor LLC. (SAS) subsidiary of Samsung Electronics' DS Division. On 10 June 2022, the TCEQ issued a Notice of Corrective Action regarding the wastewater spill at SAS. TCEQ issued a fine of 93K USD to SAS on 8 March 2024, taking into account that SAS independently obtained environmental certification and performed internal management actions for the wafer shredding equipment while actively carrying out remediation activities to address the wastewater spillage as soon as SAS became aware of the incident. SAS paid the fine in full. SAS developed and deployed preventive measures (pre-evaluation systems, development of monitoring, control systems).

		2023		2024		2025	
		DX Division	DS Division	DX Division	DS Division	DX Division	DS Division
<b>Pollutant Management</b>							
<b>[Air pollutant emissions]</b>							
NOx	Tonnes	46	674	23	706	16	579
SOx	Tonnes	2	41	0.3	35	0.3	33
NH <sub>3</sub>	Tonnes	0.5	125	1	103	0.5	111
HF	Tonnes	0.03	16	0.02	13	0.03	16
PM <sup>1)</sup>	Tonnes	72	69	33	58	32	64
Volatile organic compound emissions <sup>2)</sup>	Tonnes	7	391	6	555	6	308
<b>[Water pollutant discharge]</b>							
TOC (Korea) <sup>3)</sup>	Tonnes	2	292	1	318	1	398
COD (Global)	Tonnes	433	101	512	137	224	84
BOD	Tonnes	161	251	133	294	51	437
SS	Tonnes	206	725	185	631	221	951
F	Tonnes	1	625	2	486	4	552
Heavy metals	Tonnes	2	15	2	9	2	10
Consumption of ozone depleting substances (CFC-eq) <sup>4)</sup>	Tonnes	1	-	0.2	0.2	0.08	0.12

1) Previous dust emission disclosure standard changed

2) Revised 2024 data after identifying omission of some past volatile organic compound emissions during the automated pollutant calculation process of global subsidiaries

3) Applied data separately into Total Organic Carbon (TOC, Korea) and Chemical Oxygen Demand (COD, Global) starting from 2023

4) Scope of data collection: Korea

Reported content in the 2026 Sustainability Report may have slight discrepancies between the total values and individual item values due to rounding down to the nearest unit decimal place.

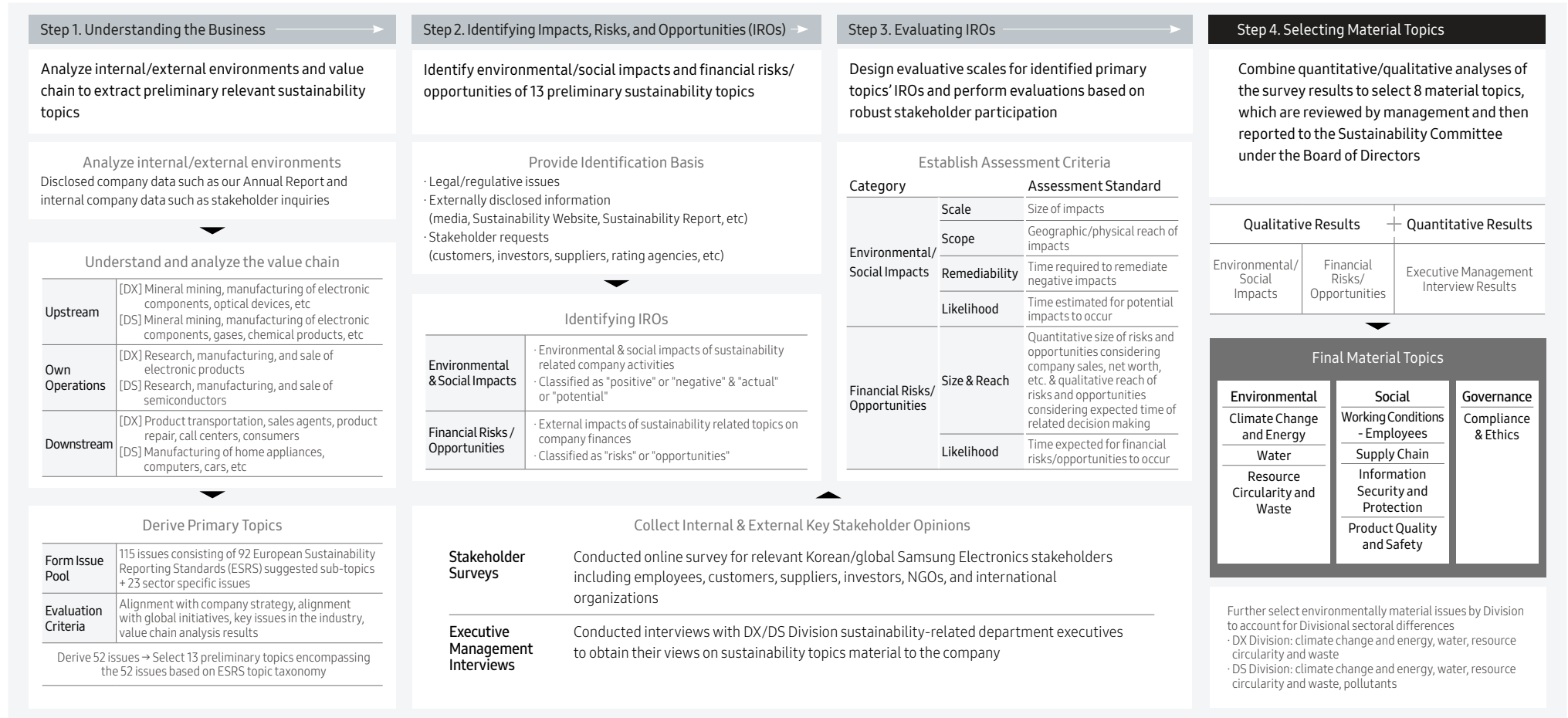
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# Materiality Assessment



















Samsung Electronics conducts materiality assessments identifying and prioritizing key sustainability issues material to our business, transparently disclosing the processes and results. In 2024, we conducted a Double Materiality Assessment (DMA) adapted from the European Financial Reporting Advisory Group's (EFRAG) [Materiality Assessment Implementation Guidance](#) and published the results in our Sustainability Report. We observed no significant changes in issues related to sustainable management within Samsung Electronics' value chain, leading us to maintain final material topics for the current reporting period. Our materiality assessment considered both relevant company activities' impacts on the external environment and relevant external factors' financial impacts on the company.

## Materiality Assessment Process



## Material Topic Management

Samsung Electronics identifies the impacts of selected material topics on the company, and reports on company activities to manage these topics.

Material Topics	UN SDGs	Governance	Strategy	Risk Management (Policy)	Activities (Major Progress)
 Climate Change and Energy		<ul style="list-style-type: none"> <li>Sustainability Committee under the Board of Directors oversees sustainability management (including environmental management) strategy and progress</li> </ul>	<ul style="list-style-type: none"> <li>DX Division: net zero Scope 1 and 2 emission by 2030</li> <li>DS Division: net zero Scope 1 and 2 emission by 2050</li> </ul>	<ul style="list-style-type: none"> <li>Identify key risks and opportunities due to climate change and develop response strategies by assessing financial impacts based on climate scenarios</li> </ul>	<ul style="list-style-type: none"> <li>Reduce direct emissions, expand renewable energy, reduce external GHG emissions</li> </ul>
 Water	 	<ul style="list-style-type: none"> <li>Sustainability Council and ESG Management Council chaired by respective Division Heads discuss and decide on current issues</li> </ul>	<ul style="list-style-type: none"> <li>DX Division: replenish 100% of water consumed globally by 2030</li> <li>DS Division: achieve zero increase in water withdrawal for Korean manufacturing sites relative to 2021 levels by 2030</li> </ul>	<ul style="list-style-type: none"> <li>Assess water resource risks and develop regional response strategies</li> </ul>	<ul style="list-style-type: none"> <li>Expand scope of AWS<sup>1)</sup> certification</li> <li>1) Alliance for Water Stewardship</li> </ul>
 Resource Circularity and Waste			<ul style="list-style-type: none"> <li>DX Division: apply recycled plastic to all plastic parts in our products by 2050</li> <li>DS Division: achieve 99.9% waste recycling rate across all Korean manufacturing sites by 2030</li> </ul>	<ul style="list-style-type: none"> <li>Identify (midpoint) and evaluate resource-related risk and opportunity factors and systematically manage resource inflow and outflow data</li> </ul>	<ul style="list-style-type: none"> <li>Operate product waste retrieval system, attain Zero Waste to Landfill validations at business sites</li> </ul>
 Working Conditions - Employees	 	<ul style="list-style-type: none"> <li>Sustainability Committee under the Board of Directors, the DX Division's Sustainability Council, and the DS Division's ESG Management Council lead oversight and management agendas for labor and human rights, organizational culture, talent development, and health and safety issues for our own employees and workers across our supply chain.</li> </ul>	<ul style="list-style-type: none"> <li>Respect human rights based on management philosophy of "People First", continue to pursue safe work environment, and create positive workplace culture</li> </ul>	<ul style="list-style-type: none"> <li>Establish various policies and standards including fundamental principles of human rights, grievance policy, environmental health and safety policy</li> <li>Operate employee communication and grievance channels and perform human rights due diligence</li> </ul>	<ul style="list-style-type: none"> <li>Observe freedom of association and right to collective bargaining</li> <li>Analyze and improve living wage gap</li> <li>Operate manufacturing site safety management programs and employee health promotion programs</li> <li>Provide fringe benefits and work policies for work-life balance</li> </ul>
 Supply Chain			<ul style="list-style-type: none"> <li>Secure sustainable supply chain by assisting not only business competitiveness but also supplier labor and human rights, occupational health and safety, and talent development</li> </ul>	<ul style="list-style-type: none"> <li>Establish various policies and standards including Supplier Code of Conduct, Global Purchasing Code of Conduct</li> <li>Provide supplier employee comm. channels, grievance channels, and operate combined supplier due diligence process</li> </ul>	<ul style="list-style-type: none"> <li>Perform forced labor, child labor special audits</li> <li>Perform regular EHS audits, consulting, and training for suppliers</li> <li>Operate Partner Collaboration Academy</li> </ul>
 Information Security and Protection		<ul style="list-style-type: none"> <li>Privacy protection team leader acts as Chief Privacy Officer and Information Protection Center Head as Chief Information Security Officer to serve as control towers</li> <li>Operate Privacy Protection Committee and Information Security Committee</li> </ul>	<ul style="list-style-type: none"> <li>Three Privacy Protection Principles: 'Transparency, Security, Choice'</li> <li>Four Pillars of Cybersecurity: 'Preventing &amp; Hardening, Prediction, Detection, Response'</li> </ul>	<ul style="list-style-type: none"> <li>Establish global privacy protection policy</li> <li>Operate <a href="#">Samsung Privacy</a> Website and <a href="#">Samsung Security Reporting</a> Portal</li> </ul>	<ul style="list-style-type: none"> <li>Operate Privacy Legal Management System (PLMS) and educate employees</li> <li>Operate security platform Samsung Knox and Samsung Knox Vault</li> <li>Establish semiconductor technology security</li> </ul>
 Product Quality and Safety		<ul style="list-style-type: none"> <li>Operate Quality Innovation Committee, the highest product quality related decision making body</li> <li>Global CS Center Head performs role of company-wide chief Customer Satisfaction (CS) officer</li> </ul>	<ul style="list-style-type: none"> <li>Based on quality vision of "Pursuing Perfect Quality and Service for the Best Customer Experience," announce Quality Management Code of Conduct centered on customer focus, fundamentals, professionalism, creation of premium products, and customer creation, committing to practicing quality responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Operate quality assurance system and incident response process</li> </ul>	<ul style="list-style-type: none"> <li>Secure product safety and improve product quality/customer service</li> </ul>
 Compliance & Ethics		<ul style="list-style-type: none"> <li>Board of Directors and affiliated committees oversee compliance, performing relevant operations through Compliance Committee</li> </ul>	<ul style="list-style-type: none"> <li>Establish and specify employee and business guidelines with compliance and ethics as top priorities for a fair and transparent business management</li> </ul>	<ul style="list-style-type: none"> <li>CPMS<sup>1)</sup> based risk management</li> <li>1) Compliance Program Management System</li> </ul>	<ul style="list-style-type: none"> <li>Operate education and reporting programs, evaluate corruption risk</li> </ul>

## To the Management of Samsung Electronics Co., Ltd.,

We have undertaken a limited assurance engagement on the Sustainability Report (the "Report") of Samsung Electronics Co., Ltd. (the "Company") for the year ended December 31, 2025.

### Identified Sustainability Information

The Sustainability Information included in the Report and subject to our assurance engagement consists of the following, with the exclusion of greenhouse gas emissions and related information:

- 'Global Reporting Initiative (GRI) Standard Index' stated on pages 82-83
- 'Sustainability Accounting Standards Board (SASB) Standard Index' stated on pages 86-87
- GRI and SASB indicators out of 'ESG Data' stated on pages 64-74

Our assurance engagement is for the fiscal year ended December 31, 2025, and we have not performed assurance procedures on other information included in the Report, and accordingly, we do not express any conclusion on such information.

### Criteria Used by the Company

The criteria used by the Company to prepare the Sustainability Information (the "Criteria") are the GRI Standards and SASB (Hardware, Semiconductors) Standards. The absence of a commonly used by generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure sustainability information allows for different, but acceptable, measurement techniques that can affect comparability between entities and overtime.

### Assurance Conclusion – Limited Assurance

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Sustainability Information in the Report for the year ended December 31, 2025, has not been prepared, in all material respects, in accordance with the Criteria.

### Inherent Limitations in Preparing Sustainability Information

The Sustainability Information includes inherent uncertainties based on climate-related scenarios and forward-looking statements. These uncertainties arise from the incomplete nature of scientific and economic knowledge regarding the potential physical and transitional impacts of climate change, their likelihood, timing, and effects.

### Responsibilities of the Company

The Company is responsible for selecting and establishing appropriate Criteria for preparing the Sustainability Information, considering relevant laws and regulations, and for the preparation of the Sustainability Information in accordance with these Criteria. This responsibility includes designing, implementing, and maintaining internal controls relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error.

### Our Responsibility

We plan and perform our work to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error, and to form an independent conclusion based on the evidence obtained, which we then report to the Company's management. As our role involves forming an independent conclusion on the Sustainability Information prepared by management, our involvement in the preparation of the Sustainability Information would impair our independence and is not permitted.

### Standards for Performing Assurance Engagements

We performed a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000(Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information," issued by the International Auditing and Assurance Standards Board (IAASB).

### Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by Korea Institute of Certified Public Accountants(KICPA). This code is based on principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. We apply ISQM1(International Standard on Quality Management ISQM1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Summary of Procedures Performed as the Basis for Our Conclusion

To identify areas where material misstatements in the Sustainability Information might arise, we planned and performed our work based on professional judgment. Our procedures for the limited assurance engagement included:

- Performing limited verification of the assured Sustainability Information through inquiries and analytical reviews
- Interviewing personnel responsible for aggregating and preparing the Sustainability Information at the corporate level
- Visiting the Company to understand the processes and systems used to manage and report the Sustainability Information

The procedures performed in a limited assurance engagement vary in nature and timing and are less extensive than those for a reasonable assurance engagement. Therefore, the level of assurance obtained in a limited assurance engagement is substantially lower than that which would have been obtained if a reasonable assurance engagement had been performed.

### Restricted Use

This report is prepared solely for the management of the Company to assist in understanding the Company's sustainability performance and activities. Accordingly, we do not accept or assume any responsibility to any other party.

Seoul, Republic of Korea

25 June 2026

This assurance report is valid as of the date of the report (June 25, 2026). Therefore, events or circumstances occurring between the date of this report and the time it is read could significantly impact the information presented and may require revisions to this report.

# Verification Opinion Statement

## GHG Emissions Verification

**SAMSUNG ELECTRONICS CO.,LTD**

### Verification Target

Korean Foundation for Quality (hereinafter 'KFQ') has conducted a verification of Scope 1, 2 Greenhouse Gas Emissions (hereinafter 'GHG emissions') of Samsung Electronics Co., Ltd.<sup>1)</sup> (hereinafter the 'Company') for 2025. KFQ is responsible for providing an assurance statement on the GHG emissions based on the verification scope and criteria described below, while the responsibility for the claims made regarding the GHG emissions rests with the Company.

1) Address (based on headquarters) : 129, Samsung-ro, Yeongtong-gu, Suwon-si, Gyeonggi-do, Republic of Korea

### Verification Purpose

The purpose is to provide an independent verification opinion on the Company's voluntary GHG emissions inventories.

### Verification Scope

The scope of verification covers all GHG emission sources, including NF<sub>3</sub> and the six other gases, from all domestic sites and 25 overseas production subsidiaries under the operational control and organizational boundary of the Company during 2025.

### Verification Criteria

The verification was carried out at the request of the Company using:

- ISO 14064-1:2018, ISO14064-3:2019
- 2019 Refinement and 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- Global Warming Potentials from IPCC Sixth Assessment Report(AR6)
- Rule for emission reporting and certification of greenhouse gas emission trading scheme (Notification No. 2025-64 of Ministry of Environment)

### Verification Approach

The verification has been conducted in accordance with the verification principles and standards of 'ISO14064-3:2019' at a reasonable level of assurance. The verification includes the potential inherent limitations in the application of verification criteria and methodologies.

### Conclusion

Based on the criteria and guidelines stated above, KFQ's verification opinion is as follows.

- 1) GHG emissions were appropriately calculated in accordance with the relevant standards.
- 2) The data and information used in calculating the GHG emissions were appropriate and reasonable, and no significant errors or omissions that could affect the verification statement were found. The materiality assessment result on GHG emissions from all domestic sites and 25 overseas production subsidiaries has met the agreed-upon criterion of less than 5%.
- 3) For domestic entities, GHG emissions from the DX Division were calculated using the methodologies and parameters set forth in the "Rule for emission reporting and certification of greenhouse gas emission trading scheme". The DS Division applied the methodologies and parameters specified in the IPCC 2019 Refinement. For both divisions, the AR6 GWPs and the 2023 electricity emission factors specified in the 2025 Approved National Greenhouse Gas Emission and Removal Factors were applied.
- 4) For overseas entities, GHG emissions were primarily calculated using the methodologies and parameters specified in the IPCC 2019 Refinement, the AR6 GWPs, and the calorific values and electricity emission factors officially published by each respective country. Where such national values were not available, electricity emission factors from the IEA were applied. Steam emission factors were, in principle, based on values provided by steam suppliers, and recalculation of emissions may be required if those parameters are revised in the future. Additionally, the evaluation of market-based emissions was conducted by reflecting market-based instruments such as RECs. Market-based emissions represent emissions calculated by reflecting the effects of such instruments on the location-based emissions.
- 5) Except for emission sources not considered in the 'Samsung Electronics Co., Ltd. Greenhouse Gas Inventory Guideline', no material errors, omissions, or nonconformities were found in the 2025 Greenhouse Gas Emission Report of Samsung Electronics Co., Ltd.
- 6) Accordingly, KFQ provides an unmodified verification opinion on the Company's 2025 GHG emissions.

## Appendix. 2025 Emissions Calculation Results

June 19, 2026



National Institute of Environmental Research

*Ji Young Song*

CEO Ji-Young Song  
Korean Foundation for Quality

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## Appendix. 2025 Emissions Calculation Results

### Organization

Samsung Electronics Co., Ltd.

### Emission calculation period

The emission calculation period is from January 1st to December 31st, 2025.

### Total GHG Emissions verification results

Unit : ktCO<sub>2</sub>e

Scope	Total	
	Location based	Market based
Scope 1	4,646	4,646
Scope 2	15,042	9,511
<b>Total</b>	<b>19,688</b>	<b>14,157</b>

### DX Division GHG Emissions verification results

Unit : ktCO<sub>2</sub>e

Scope	DX Division	
	Location based	Market based
Scope 1	256	256
Scope 2	1,723	86
<b>Total</b>	<b>1,979</b>	<b>343</b>

### DS Division GHG Emissions verification results

Unit : ktCO<sub>2</sub>e

Scope	DS Division	
	Location based	Market based
Scope 1	4,390	4,390
Scope 2	13,319	9,424
<b>Total</b>	<b>17,709</b>	<b>13,814</b>

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# Verification Opinion Statement

## GHG Emissions Verification

**SAMSUNG ELECTRONICS CO.,LTD**

### Verification Target

Korean Foundation for Quality (hereinafter 'KFQ') has conducted a verification of Scope 3 Greenhouse Gas Emissions (hereinafter 'GHG emissions') of Samsung Electronics' DS and DX divisions<sup>1)</sup> (hereinafter 'Company') for 2023~2025. KFQ is responsible for providing an assurance statement on the GHG emissions based on the verification scope and criteria described below, while the responsibility for the claims made regarding the GHG emissions rests with the company.

1) Address (based on headquarters) : 129, Samsung-ro, Yeongtong-gu, Suwon-si, Gyeonggi-do, Republic of Korea

### Verification Purpose

The purpose is to provide an independent verification opinion on the company's Scope 3 emissions.

### Verification Scope

The verification covered fourteen emission categories<sup>2)</sup> selected by the company during 2023~2025.

2) Category 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15

### Verification Criteria

The following criteria used by the company were applied.

- ISO14064-1: 2018
- 2019 Refinement and 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- GHG Protocol Corporate Standard
- WBCSD/WRI, Corporate Value Chain (Scope 3) Accounting and Reporting Standard
- Rule for emission reporting and certification of greenhouse gas emission trading Scheme
- ISO 14064-3: 2019

### Level of Assurance

The verification has been conducted in accordance with the verification principles and standards of the 'ISO14064-3: 2019' under the limited assurance level.

### Verification Limitation

GHG emissions verification involves inherent limitations that may arise depending on the organization's data characteristics, calculations and estimates, sampling method, and limited assurance level. Additionally, this verification does not include responsibility for the accuracy of the original data provided by the company.

### Conclusion

Based on the criteria and guidelines stated above, KFQ's verification opinion is as follows.

- 1) GHG emissions of the company for 2023~2025 were properly calculated based on the materials provided, and no material errors or omissions that could affect the verification opinion were identified.
- 2) The criteria and process established by the company for calculating GHG emissions were transparently documented in the internal calculation process to prevent potential misunderstandings.
- 3) Accordingly, KFQ provides a verification opinion that is "Unmodified".

June 16<sup>th</sup>, 2026

## Appendix. 2023~2025 Scope 3 Emissions Calculation Results

*Ji Young Song*

CEO Ji-Young Song  
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## Appendix. 2023~2025 Scope 3 Emissions Calculation Results

### Organization

Samsung Electronics

### Emission calculation period

The emission calculation period is from January 1st 2023 to December 31<sup>st</sup> 2025.

### Scope 3 Emissions verification Results (Total)

Unit : ktCO<sub>2</sub>eq

Category		2025	2024	2023
1	Purchased goods & services	10,945	10,827	11,514
2	Capital goods	3,165	2,308	3,125
3	Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	2,915	2,778	2,664
4	Upstream Transportation and Distribution	3,667	4,162	4,382
5	Waste Generated in Operations	156	153	164
6	Business Travel	92	153	108
7	Employee Commuting	372	293	298
8	Upstream Leased Assets	11	12	15
9	Downstream Transportation and Distribution	261	43	40
10	Processing of Sold Products	336	321	98
11	Use of Sold Products	79,582	77,712	83,116
12	End of Life Treatment of Sold Products	1,644	1,721	1,339
13	Downstream Leased Assets	5	2	3
15	Investments	237	218	169
<b>Total</b>		<b>103,388</b>	<b>100,703</b>	<b>107,035</b>

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**Appendix. 2023~2025 Scope 3 Emissions Calculation Results**

**Organization**

Samsung Electronics

**Emission calculation period**

The emission calculation period is from January 1st 2023 to December 31st 2025.

**Scope 3 Emissions verification Results (DX)**

Unit : ktCO<sub>2</sub>eq

Category		2025	2024	2023
1	Purchased goods & services	7,426	7,122	8,017
2	Capital goods	157	304	396
3	Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	408	389	395
4	Upstream Transportation and Distribution	3,463	3,979	4,209
5	Waste Generated in Operations	35	35	42
6	Business Travel	69	112	79
7	Employee Commuting	297	208	216
8	Upstream Leased Assets	9	9	12
9	Downstream Transportation and Distribution	249	36	34
10	Processing of Sold Products	100	154	-
11	Use of Sold Products	69,259	68,496	75,760
12	End of Life Treatment of Sold Products	1,641	1,719	1,338
13	Downstream Leased Assets	4	1	2
15	Investments	215	191	156
<b>Total</b>		<b>83,332</b>	<b>82,755</b>	<b>90,656</b>

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**Appendix. 2023~2025 Scope 3 Emissions Calculation Results**

**Organization**

Samsung Electronics

**Emission calculation period**

The emission calculation period is from January 1st 2023 to December 31st 2025.

**Scope 3 Emissions verification Results (DS)**

Unit : ktCO<sub>2</sub>eq

Category		2025	2024	2023
1	Purchased goods & services	3,519	3,705	3,497
2	Capital goods	3,008	2,004	2,729
3	Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	2,507	2,389	2,269
4	Upstream Transportation and Distribution	204	183	173
5	Waste Generated in Operations	121	118	122
6	Business Travel	23	41	29
7	Employee Commuting	75	85	82
8	Upstream Leased Assets	2	3	3
9	Downstream Transportation and Distribution	12	7	6
10	Processing of Sold Products	236	167	98
11	Use of Sold Products	10,323	9,216	7,356
12	End of Life Treatment of Sold Products	3	2	1
13	Downstream Leased Assets	1	1	1
15	Investments	22	27	13
<b>Total</b>		<b>20,056</b>	<b>17,948</b>	<b>16,379</b>

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	305-6	Emissions of ozone-depleting substances (ODS)	71, 74	
	305-7	Nitrogen oxides (NOx), Sulfur oxides (SOx), and other significant air emissions	19, 31-32, 71, 74	
Waste	306-1	Waste generation and significant waste-related impacts	15-16, 27-28	
	306-2	Management of significant waste-related impacts	15-16, 27-28	
	306-3	Waste generated	15-16, 71, 73	
	306-4	Waste diverted from disposal	15-16, 27-28, 71, 73	
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Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	46-48	
	308-2	Negative environmental impacts in the supply chain and actions	46-48	
<b>GRI 400 Society</b>				
Employment	401-1	New employee hires and employee turnover	65-66	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-term employees	41, 42	
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Occupational Health and Safety	403-1	Occupational health and safety management system	42	
	403-2	Hazard identification, risk assessment, and incident investigation	42	
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	403-4	Worker participation, consultation, and communication on occupational health and safety	7, 42	
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	403-6	Promotion of worker health	41-42	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	42	
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Topic	No.	Disclosure	Page	Notes
<b>GRI 400 Society</b>				
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	404-2	Programs for upgrading employee skills and transition assistance programs	44, 67	
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Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	6	
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Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	37-40, 43	
Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	41, 47	
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Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	37, 47, 49	
Rights of Indigenous People	411-1	Incidents of violations involving rights of indigenous peoples	-	No applicable cases occurred
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	7, 18	
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	46-48	
	414-2	Negative social impacts in the supply chain and actions taken	46-48	
Public Policy				
	415-1	Political contributions	-	Use of company funds for political contributions is prohibited by the corporate Code of Conduct
Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	-	2025 Annual Business Report P.484-494 (XI. Other Information, 3. Sanctions and Others)
Marketing and Labeling	417-1	Requirements for product and service information and labeling	-	Refer to the companies Website <a href="#">🌐</a>
	417-3	Incidents of non-compliance concerning marketing communications	-	2025 Annual Business Report P.484-494 (XI. Other Information, 3. Sanctions and Others)

· Statement of Use: Samsung Electronics has reported in accordance with the GRI standards for the covered period (from January 1st to December 31st, 2025)  
 · GRI 1 used: 'GRI 1: Foundation 2021'

# TCFD Index

Category	Our Performance	Page
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	P.11, 22
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	P.11, 22
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	P.12, 23
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	P.12, 23

# TCFD Index

Category		Our Performance	Page
Strategy	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Samsung Electronics is making efforts to understand the influence on its business of socio-economic changes by climate-related scenarios, preparing for and enhancing our strategies against future climate change related uncertainties, and analyzing major risks and opportunities by utilizing the latest science based scenario in accordance to the latest climate change related international agreement. We selected high carbon emission and below 2°C scenarios, for which physical risk analysis we used the IPCC scenarios (SSP1-2.6, SSP2-4.5, SSP5-8.5) and which transition risk analysis we used the IEA(Net Zero Emissions by 2050, Announced Pledges, Stated Policies) and NGFS (Net Zero 2050, NDCs, Current Policies) scenarios. Using such scenarios serve an important role in diversifying our assessment of potential risks and opportunities across our business, strategy, and financial plans. We will reinforce our business competitiveness in the future by continuing to periodically analyze and calculate risks and opportunities by climate scenario and relevant financial impacts.	P.12, 23
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks.	Samsung Electronics compiled a pool of risks and opportunities related to our business by reviewing global climate change trends and industry responses based on the TCFD recommendations and CDP suggested climate-related risks and opportunities. We used climate change scenario analysis tools to initially identify major risks and opportunities, and conducted surveys with key internal and external stakeholders to assess the likelihood and impact of potential risks. The scenario analysis tool and survey results were discussed in detail through roundtable discussions with relevant departments, after which a final list of major risks and opportunities regarding climate change was identified.	P.12, 23
	b) Describe the organization's processes for managing climate-related risks.	To manage climate-related risks, each Division's EHS departments monitor energy usage, GHG emissions, renewable energy use, and climate impact. In regular meetings such as the DX Division's Environmental Safety Meetings and the DS Division's Carbon Reduction Committee, climate change issues that have occurred or are expected to occur in global sites are discussed, and management strategies are decided and implemented. The DX Division's Sustainability Council and the DS Division's ESG Management Council discuss climate-related risks and opportunities and makes related decisions. In addition, to respond to carbon emission disclosures, we operate a company-wide Consolidated ESG Disclosure Committee, in which we perform activities such as establishing emission calculation standards and building emission data systems.	P.11-12, 22-23
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Samsung Electronics integrates climate-related risks and opportunities into our enterprise risk management system for effective management. Should an acute risk such as wind or flood damage occur, we respond promptly according to the emergency response process to minimize damage and carry out activities to restore business operations. Additionally, we continuously assess, monitor, and manage climate change-related risks occurring at global sites in accordance with risk management processes and manuals for various fields, including sustainability management, environmental safety, marketing, sales, and compliance. Key risk and opportunity factors are reported to the Sustainability Council and the ESG Management Council, where response plans are reviewed, deliberated on, and regularly monitored and managed.	P.12, 23
Metrics and Targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	To assess and manage the risks and opportunities related to climate change, we closely monitor metrics including GHG emissions, per-unit GHG emissions, energy consumption, renewable energy use, and water consumption of individual business sites as well as the ratio of recycled materials used in products, amount of e-waste collected, and average power consumption of products.	P.11, 22, 69-74
	b) Disclose Scope 1 (direct emissions), Scope 2 (indirect emissions), and Scope 3 (other indirect scope) GHG emissions, and the related risks.	We disclose our Scope 1, 2 and 3 emissions via the Sustainability Report and CDP Report.	P.69, 72
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Samsung Electronics discloses its goals and performance in managing climate-related risks and opportunities through its Sustainability Report and CDP Report.	P.11, 22

# SASB Index

## HARDWARE

### Sustainability Disclosure Topics & Accounting Metrics

	Code	Accounting Metric	Page and Comment
Product Security	TC-HW-230a.1	Description of the approach to identifying and addressing data security risks in products	Samsung Electronics performs a control tower role through the Global Privacy Team Head as Chief Privacy Officer and Information Security Center Head as Chief Information Security Officer, who oversee the Privacy Steering Committee and the Information Security Committee. The company has established 3 core privacy principles and 4 pillars of cybersecurity, developing advanced security technologies and applying them to its products accordingly. For details on Samsung Electronics' personal information protection and security status, please refer to pages 53-54 of the Sustainability Report.
Employee Diversity & Inclusion	TC-HW-330a.1	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Samsung Electronics discloses the gender ratios of its management, technical staff, and other employees. For more detailed information on employee status, please refer to pages 65-66 of the Sustainability Report.
	TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	We comply with global regulations (EU RoHS, REACH, TSCA, etc.) and manage internal rules in line with Korean and international standards. We conduct rigorous pre-inspection and follow-up management of all parts and raw materials used in our products. Please refer to P.19, 31-32 herein and the Standards for the Control of Substances Used in Products in the Sustainability Website <a href="#">🌐</a> for our efforts to manage potentially hazardous substances.
Product Lifecycle Management	TC-HW-410a.2	Percentage of eligible products that meet the EPEAT registration criteria or equivalent <sup>1)</sup>	<ul style="list-style-type: none"> <li>· Computers: 82.6%</li> <li>· Mobile phones: 88.8%</li> <li>· Tablets: 70.5%</li> <li>· Displays: 33.1%</li> </ul>
	TC-HW-410a.3	Percentage of eligible products that meet the ENERGY STAR® criteria <sup>1)</sup>	<ul style="list-style-type: none"> <li>· Computers: 100%</li> <li>· Tablets: 68.2%</li> </ul>
	TC-HW-410a.4	Weight of end-of-life products and e-waste retrieved, percentage recycled	Samsung Electronics has selected the operation of its e-waste collection system as a key initiative for promoting a resource circular system and plans to further expand its e-waste collection system to all global sales countries by 2030. For details on the operation and collection status of Samsung Electronics' e-waste system, please refer to pages 15-16, 70, and 73 of the Sustainability Report.
Supply Chain Management	TC-HW-430a.1	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	P.46-47, 67
	TC-HW-430a.2	Tier 1 suppliers' (1) non-compliance rate with the RBA Validated Audit Process (VAP) or equivalent and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	P.46-47, 67, and the Monitoring Progress on Improvement disclosed on the Sustainability Website <a href="#">🌐</a>
Materials Sourcing	TC-HW-440a.1	Description of risk management associated with the use of critical materials	P.48, 67, Samsung Electronics Responsible Minerals Report <a href="#">🌐</a>

1) 2025 data based on sales in North America (U.S. and Canada)

### Activity Metrics

Code	Topic	Page and Comment
TC-HW-000.A	Number of units produced by product category	P.32-39, 2025 Annual Business Report (II. Business Overview)
TC-HW-000.B	Area of manufacturing facilities	P.32-39, 2025 Annual Business Report (II. Business Overview)
TC-HW-000.C	Percentage of production from owned facilities	P.32-39, 2025 Annual Business Report (II. Business Overview)

## SEMICONDUCTORS

### Sustainability Disclosure Topics & Accounting Metrics

	Code	Accounting Metric	Page and Comment
Greenhouse gas (GHG) Emissions	TC-SC-110a.1	(1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds	P.69, 72
	TC-SC-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	P.11, 22, 69, 72
Energy Management in Manufacturing	TC-SC-130a.1	(1) Total energy consumption, (2) percentage of electricity delivered from grids, and (3) percentage renewable	P.70, 72
Water Management	TC-SC-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	P.17, 29, 71, 74
Waste Management	TC-SC-150a.1	Amount of hazardous waste from manufacturing, percentage recycled	P.70-71, 73
Employee Health and Safety	TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	P.42
	TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	2025 Annual Business Report (XI. Other Information) P.487-494
Recruiting & Managing a Global & Skilled Workforce	TC-SC-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	P.65-66
Product Lifecycle Management	TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Samsung Electronics complies with global regulations (EU RoHS, REACH, TSCA, etc.) and manage internal rules in line with Korean and international standards. Additionally, through the Environmental Safety Innovation Day, Samsung Electronics regularly exchanges ideas with Samsung Group affiliates, such as SDC, SDI, Samsung Electro-Mechanics, and Samsung BioLogics, on topics like net zero, pollution reduction, resource circularity, and water resources to promote eco-friendly activities. For details on Samsung Electronics' hazardous substance management status, please refer to pages 21 and 33 herein and the Standards for the Control of Substances Used in Products in the Sustainability Website <a href="#">🌐</a> for our efforts to manage potentially hazardous substances.
	TC-SC-410a.2	Processor energy efficiency at a system-level: (1) servers, (2) desktops, and (3) laptops	N/A
Materials Sourcing	TC-SC-440a.1	Description of risk management associated with the use of critical materials	P.67, Samsung Electronics Responsible Minerals Report <a href="#">🌐</a>
Intellectual Property Protection & Competitive Behavior	TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	2025 Annual Business Report (XI. Other Information) P.487-494

### Activity Metrics

Code	Topic	Page and Comment
TC-SC-000.A	Total production	P.32-39, 2025 Annual Business Report (II. Business Overview)
TC-SC-000.B	Percentage of production from owned facilities	P.32-39, 2025 Annual Business Report (II. Business Overview)

## About This Report

Samsung Electronics Co., Ltd. publishes its 19th Sustainability Report in 2026 to transparently communicate its achievements in creating economic, social, and environmental value with various stakeholders.

### Reporting Standard

This report aligns with the Global Reporting Initiative (GRI) Standards: Core Option, and reflects the indicators of the UN Sustainable Development Goals (SDGs), Task Force on Climate-Related Financial Disclosures (TCFD), and Sustainability Accounting Standards Board (SASB).

### Covered Activities

This report covers the activities of all of our business sites in Korea and other regions as well as our supply chains. Our consolidated financial performance is reported in accordance with K-IFRS, and our environmental performance is reported based on data collected from 33 manufacturing sites as well as other facilities including sales centers and R&D centers in Korea and other regions. Samsung Electronics headquarters is located at 129 Samsung-ro, Yeongtong-gu, Suwon-si, Gyeonggi-do, Republic of Korea.

### Covered Period

This report illustrates our economic, social, and environmental performance and activities from January 1st to December 31st, 2025. Performance as of June 2026 has been included in some areas. The report provides quantitative data of the last three years to illustrate recent YoY trends.

### Reporting Cycle

Annual – previous edition published in June 2025.

### Third-Party Assurance

Anjin Deloitte, an independent assurance provider, conducted a third-party verification to ensure confidence in the report making process and information disclosed, as per the ISAE 3000 verification criteria.

### Related information

- Samsung Electronics Website  
<http://www.samsung.com/sec>
- Samsung Electronics Sustainability Website  
<https://www.samsung.com/global/sustainability/main/>
- Samsung Electronics IR Website  
<http://www.samsung.com/sec/ir>
- Samsung Newsroom  
<http://news.samsung.com/kr>  
<http://news.samsung.com/global>

### For More Information

- Samsung Electronics Corporate Sustainability Center
- Address: 129 Samsung-ro, Yeongtong-gu, Suwon-si, Gyeonggi-do (16677)
- Email: [sustainability.sec@samsung.com](mailto:sustainability.sec@samsung.com)

### Reference

- Annual Business Report 
- Corporate Governance Report 
- Responsible Minerals Report 
- Global Code of Conduct 
- Guidelines on the Global Code of Conduct 

### Forward-Looking Statement

Certain statements made in our Sustainability Report, including those related to our sustainability targets and strategies, may constitute forward-looking statements under applicable laws. This Report contains forward-looking statements that reflect Samsung Electronics' current views with respect to future events and performance. These statements involve risks and uncertainties.

You can identify forward-looking statements by the fact that they do not relate strictly to current or historic facts. Examples of forward-looking statements include information concerning Samsung's outlook and guidance, as well as any other statement that does not directly relate to any historical or current fact. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "could," "should," "forecasts," "expects," "intends," "plans," "aims to," "goals," "trying to," "anticipates," "projects," "outlook," "believes," "estimates," "predicts," "potential," "continue," "preliminary," "strategy," or the negative of these terms or other comparable terminology.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give you no assurance these expectations will prove to have been correct. These statements are being provided for the purpose of assisting readers in understanding our approach to key sustainability topics, strategies and initiatives, and in obtaining a better understanding of our anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

Forward-looking statements in this document may include, but are not limited to: statements regarding Samsung's greenhouse gas emissions, energy consumption, water consumption, and other environmental targets, external sustainability commitments and operational strategies. Many risks, contingencies and uncertainties could cause actual results to differ materially from Samsung Electronics' forward-looking statements.

Such factors may include, but are not limited to, the following: statements related to the expected effects on our business of geopolitical events, global economic conditions, fluctuations in cost and availability of raw materials, our ability to maintain favorable supplier relationships and arrangements, economic and political conditions in the markets we serve, foreign exchange rates and fluctuations in such rates, fluctuations in tax rates, the impact of future legislation, the impact of environmental regulations, unexpected business disruptions, the effectiveness of our internal control over financial reporting, the results of governmental investigations, and the unpredictability of existing and possible future litigation. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements.

This Report also includes forward-looking statements regarding our sustainability; safety and health; cybersecurity; culture; diversity, equity, and inclusion; community engagement; and related goals, commitments and strategies.

Our actual future results, including the achievement of our targets, goals or commitments, could differ materially from our projected results as the result of changes in circumstances, assumptions not being realized, or other risks, uncertainties and factors.

Although Samsung Electronics believes that the forward-looking statements in this Report are based on information, assumptions, and beliefs that are current and reasonable, such forward-looking statements – and the underlying information, assumptions, and beliefs – are necessarily subject to a number of factors, risks, and uncertainties, which could cause actual results to differ materially from management's expectations and plans as set forth in such forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made, and Samsung undertakes no obligation to update any forward looking statement, whether as a result of new information, future events or otherwise.

**SAMSUNG**