

Samsung Electronics Australia Pty Ltd  
Modern Slavery Act Statement 2024

Compliance with mandatory criteria / Signing & approval requirements

#	Mandatory criteria <i>Modern Slavery Act 2018</i> (Cth), s 16(1)	Page reference	Section references
1.	Identify the reporting entity.	2	Introduction
2.	Describe the structure, operations and supply chains of the reporting entity.	4	Organisational structure - business and supply chain
3.	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.	5-7	Modern slavery risks in our operations and supply chains
4.	Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.	7-28	Actions taken to assess and address modern slavery risks  See also specific actions regarding specific salient human rights risks at Criterion 3 on pages 6-8.
5.	Describe how the reporting entity assesses the effectiveness of such actions.	28	Measurement and performance standards to assess the effectiveness of our actions
6.	Describe the process of consultation with:  (i) any entities that the reporting entity owns or controls; and  (ii) in the case of a reporting entity covered by a statement under section 14 - the entity giving the statement.	28	Consultation
7.	Include any other information that the reporting entity, or the entity giving the statement, considers relevant.	28	Other relevant information
#	Signing and approval requirements	Page reference	Section references
8.	The reporting entity must ensure that the statement is approved by the principal governing body of the entity and signed by a responsible member of the entity.	29	Board approval and signing

## 1. Introduction

Samsung places a high value on its people, technologies, products, and services in order to contribute to a better global society. We understand the importance of maintaining a sustainable and responsible supply chain and we commit to respecting the human rights of every individual or group connected to our business.

Samsung's five Business Principles serve as the embodiment of our determination to operate and hold ourselves to rigorous standards of compliance with all applicable laws, our own company principles and our values. The five Business Principles are as follows:

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

This is Samsung Electronics Australia Pty Ltd's (ACN 002 915 648) (SEAU) fifth modern slavery statement (**Statement**) and complies with Australia's federal modern slavery legislation - the *Modern Slavery Act 2018* (Cth) (**Act**). SEAU is a reporting entity for the purpose of the Act.

SEAU is a subsidiary of the global electronics manufacturer, Samsung Electronics Co., Ltd. which is headquartered in South Korea. Unless specified, references in this Statement to "**Samsung**", "**Samsung Electronics**", "**our**", "**us**", and "**we**" refer to Samsung Electronics Co., Ltd (SEAU's parent company) and its subsidiaries.

This Statement, for the financial year 1 January 2024 to 31 December 2024, (being the "**reporting period**" for the purposes of the Act and also referred to as "**2024**" in this Statement) continues to outline our progress as a responsible business to ensure that Samsung employees and suppliers do not in any way support the abuse of a person's labour and human rights. This Statement will be filed by SEAU with the Online Register for Modern Slavery Statements maintained by the Australian Attorney General's Department, which is accessible at the URL <https://modernslaveryregister.gov.au/>.

Samsung recognizes the risk of both forced and child labour, especially in the lower tiers of its supply chain. We prohibit any form of child labour and forced labour and expect our direct and indirect business partners to share our commitment to conduct thorough due diligence to address these risks, including age verification checks. Identified cases are handled with extra care, following strict internal protocols. We aim to provide remediation solutions where applicable and reinstate the rights of affected individuals.

SEAU is closely monitoring reforms to the Modern Slavery Act, including the publication of the Australian Government's response to the review of the Modern Slavery Act on 2 December 2024, accepting 25 of the recommendations in principle and noting a number of others.

SEAU also welcomes the appointment of the inaugural Australian Anti-Slavery Commissioner, Chris Evans, and looks forward to the publication of further guidance arising out of this appointment.

### Key Activities – 2024

This section is a summary of the key activities Samsung and SEAU have undertaken to assess and address modern slavery risks during the reporting period.

- Samsung established the Global Grievance Resolution Policy at a global level in April 2024, to ensure grievances are handled in a fair and consistent manner globally, and developed and distributed guidelines for the effective implementation of the policy.

- Samsung appointed dedicated grievance resolution personnel at several sales subsidiaries and research centres, and provided training on its grievance resolution policy and guidelines to all grievance resolution personnel worldwide.
- Samsung's manufacturing site in Malaysia introduced its recruitment process improvements and compliance conferences for partner companies at a regional seminar organised by the local government on "Eliminating Forced Labor".
- Samsung performed Human Rights Risk Assessments, which focused on determining the severity and likelihood of Samsung's previously-identified salient human rights risks across five regions: Europe, the Middle East and Africa, North America, Latin America, and Asia, including conducting internal and external stakeholder workshops to discuss the (level of) risks and mitigation strategies.
- Samsung hosts regular human rights workshops. In 2024, Samsung hosted its second human rights stakeholder workshop, bringing together a variety of international human rights organizations and experts to discuss Samsung's salient risks and gather stakeholder feedback to improve Samsung's internal risk management system and mitigation strategies.
- Samsung hosted its first annual Global Human Rights Workshop for employees, where individuals from different Samsung subsidiaries, learned about human rights trends, risks, and efforts across the Samsung group.
- In 2024, Samsung achieved a global grievance resolution rate of 98.7% where grievances received through a variety of channels were either closed or remediated by the end of December 2024.
- Samsung completed Special Audits, with the purpose of eradicating child labour, on 133 first-tier suppliers and 32 second-tier suppliers during middle school and high school vacation periods. None of the audited suppliers were found to have recruited child workers.
- Samsung conducted Special Audits, with the purpose of eliminating forced labour on 53 suppliers in five countries in Southeast Asia and Europe, including Malaysia, Thailand, Poland, Hungary and Slovakia, which employ many migrant workers. The audits found that the suppliers are hiring migrant workers through 57 agencies in 14 different countries.

In addition to the actions undertaken by Samsung at a global level, during the reporting period SEAU has:

- conducted an in-person site audit of SEAU's major offshore call centre providers;
- conducted a desktop audit of SEAU's major marketing and media agencies;
- reviewed the vendor onboarding process with the procurement team, to determine whether the current process remains fit for purpose;
- lodged its fourth annual Modern Slavery Statement in 2024, covering the 2023 calendar year;
- continued to participate in the National Associated Retail Traders of Australia's (**NARTA**) Modern Slavery Initiative project (**MSI**), an electronics trader, industry-led program that supports businesses in reviewing practices within their supply chains, to deliver best-in-class ethical standards and meet requirements under the Act. SEAU is also a sitting member on the NARTA panel and attends regular meetings with NARTA's Procurement & Sustainable Solutions function, as part of its commitment to the MSI;
- continued to operationalise its local Anti-Modern Slavery Policy, as well as SEAU's broader modern slavery compliance program, to staff;
- completed various modern slavery questionnaires for key customers;
- continued to require new suppliers to complete SEAU's onboarding process, which contains

questions regarding modern slavery;

- kept informed, at a high level, of regulatory guidance from the Australian Government, independent studies and market practice to build awareness;
- monitored the Australian Government's review of the Modern Slavery Act; and
- continued to train new starters and all existing staff (including senior management) regarding modern slavery.

The steps taken by SEAU in the reporting period demonstrate our commitment to continuous improvement and to improve and refine our policies and procedures to mitigate and minimize modern slavery risks throughout our operations and supply chain.

## **2. Organisational Structure - Business and Supply Chain**

SEAU is an Australian proprietary company. The global electronics manufacturer, Samsung Electronics Co., Ltd., headquartered in South Korea, is the ultimate parent company of SEAU. SEAU does not own or control other entities within the meaning of the Act. Being part of the Samsung Electronics Co., Ltd. corporate group, SEAU is subject to global Samsung policies.

Samsung's operations include 232 operational facilities in 76 countries worldwide, including 32 production sites and a workforce totaling 262,647 employees. In 2024, Samsung invested KRW 28.3 trillion (the equivalent of AUD 31.4 billion) in research and development.

Supporting our success as a global leader in the manufacture of electronic products, Samsung is reliant on a network of 2,503 first-tier suppliers. In collaboration with our suppliers across the globe, we are continually working towards a sustainable business ecosystem based on a philosophy of fairness, openness, and co-prosperity. Our website includes our Supplier List, which provides details of suppliers responsible for 80% of Samsung Electronics' transaction volume.

At a local level, SEAU's supply chains include SEAU's global affiliates that supply Samsung products to SEAU. SEAU's supply chains also include suppliers of call centre services, labour hire companies, logistics and transport suppliers, cleaning service providers, IT equipment suppliers, marketing firms and professional services firms, among others.

SEAU is the local Australian entity within the Samsung global group which is responsible for marketing, promoting, selling and distributing Samsung products and services in Australia. During the financial year ending 31 December 2024, SEAU's principal activities as part of its operation were: as importer, distributor and retailer of consumer electronics and electrical goods; marketing consumer electronics; and the purchase and sale of components and capital equipment. SEAU itself does not manufacture any products as it relies on other entities (including members of the Samsung Electronics Co., Ltd corporate group) to supply Samsung products to SEAU.

SEAU's business is organised across two main business divisions: Consumer Electronics (CE) and IT & Mobile Communications (MX). SEAU's operations are centred at its head office based in Sydney Olympic Park in the State of New South Wales, as well as at interstate offices in Melbourne (Victoria), Brisbane (Queensland), Perth (Western Australia) and Adelaide (South Australia). As at 31 December 2024, SEAU had a workforce of approximately 710 people (comprising of SEAU employees and contractors who are employed by labour hire companies), the majority of whom were based at our headquarters at Sydney Olympic Park in the State of New South Wales. SEAU's turnover for the financial year ending 31 December 2024 was approximately AU\$2.9 billion.

### 3. Modern slavery risks in our operations and supply chains

We continue to build on our initial risk assessment of our operations and supply chains, which considered the modern slavery risk indicators set out in the Commonwealth Modern Slavery Act 2018 - Guidance for Reporting Entities (Commonwealth Guidance), and identified electronics as an industry with higher modern slavery risks. As stated earlier, SEAU obtains its products (including electronics) from other entities (including members of the Samsung group). There are policies and procedures at a global level to ensure that Samsung maintains oversight of this higher risk area (these are set out in the "Human rights and labour policies" section of the Statement).

Specifically, during this reporting period, a number of risks were identified and addressed at the global level as a result of, among others:

- self-assessments, internal audits and third-party audits conducted in Samsung's own operations and supply chain;
- Human Rights Risk Assessments undertaken in 2024, which assessed salient human rights risks and generated a regional human rights risk heat map based on the assessment results. These assessments are discussed further at Criterion 4 below;
- our materiality assessment, which identifies and prioritises key sustainability issues material to our business, transparently disclosing the processes and results (which includes a Double Materiality Assessment);
- on-site special audits for forced labour for migrant workers in our supply chains to verify their compliance with the Migrant Worker Policy and Guidelines as described under the Section titled "Modern Slavery and Ethical Recruitment"; and
- grievances received through Samsung's various anonymous and direct channels on own operations and supply chain level.

#### Salient Human Rights Risks

Key concerns include ensuring responsible minerals sourcing and management by lower-tier suppliers including in conflict-affected and high-risk areas; forced and child labour; and risks to migrant workers. At the local level, we have continued to build on our initial company-wide review of our existing suppliers deemed to be at greater risk of having modern slavery in their own operations and supply chains. As a result of this supplier identification task, SEAU identified that potential risks of modern slavery in SEAU's supply chains are in the industries of logistics, call centre operations and labour hire. We continue to focus our efforts on these key categories of suppliers taking a prioritised risk-based approach.

Our supplier audits conducted during this reporting period primarily focused on our key logistics provider and call centre suppliers. There were no major areas of non-compliance identified by these desktop audits.

At the global level, salient human rights risks are identified within the [Samsung Global Human Rights Principles](#). The following table sets out those risks that are directly relevant to modern slavery in the SEAU supply chain given that we acquire our products from SEAU's global affiliates:

Salient Human Rights Risks	Key Concerns	Activities taken to prevent, mitigate or address risks (see Criterion 4 for more details on steps to assess and address risks)
Working hours and the right to an adequate standard of living	Key concerns include non-compliance with applicable local laws and regulations with regard to	<ul style="list-style-type: none"> <li>• Internal monitoring and third party audits</li> <li>• Industry network engagement</li> </ul>

	working hours and overtime.	<p><b>Working hours</b></p> <ul style="list-style-type: none"> <li>• Pre-building of new products prior to their official release</li> <li>• Regular review of working hours at our production sites and suppliers</li> <li>• Diagnosing subsidiaries with irregularities and addressing root causes</li> <li>• Obtaining consent from production line workers for overtime</li> </ul> <p><b>Standard of living</b></p> <ul style="list-style-type: none"> <li>• Calculation of living wage based on Anker Methodology for 20 production sites</li> <li>• Establishing improvement plans for sites paying below the living wage</li> </ul>
<b>Prevention of forced and child labour</b>	Key concerns include payment of recruitment fees by workers, and child labour.	<ul style="list-style-type: none"> <li>• Internal monitoring, including of government and NGO reports, and third party audits</li> <li>• Industry network engagement</li> </ul> <p><b>Forced labour</b></p> <ul style="list-style-type: none"> <li>• Development of tailored audit tools for our production sites employing foreign migrant workers</li> <li>• On-site audits of production sites and dormitories</li> <li>• Face-to-face interviews with foreign migrant workers on their working and living conditions</li> <li>• Conducting specialized audits of forced labour of migrant workers employed by our suppliers</li> </ul> <p><b>Child labour</b></p> <ul style="list-style-type: none"> <li>• Employment management system</li> <li>• Age verification process</li> <li>• Capacity-building and training</li> <li>• Conducting special audits of child labour for first-tier and second-tier suppliers before and after the school vacation period</li> </ul>



<b>Freedom of Association and Collective Bargaining</b>	Key concerns include discrimination against workers for forming or participating in a union.	<ul style="list-style-type: none"> <li>• Internal and third-party audits</li> <li>• Reinforcement of relevant articles in our Code of Conduct</li> <li>• Labour and Human Rights Council overseen by the Board of Directors</li> <li>• Capacity-building and training</li> <li>• Dialogues and collaboration with employee representative bodies, including labour unions and works councils</li> </ul>
<b>Responsible sourcing of minerals</b>		<ul style="list-style-type: none"> <li>• Participation in grassroots projects</li> <li>• Capacity-building and training</li> <li>• Industry network engagement</li> <li>• Monitoring data on conflict minerals and high-risk minerals used by first-tier suppliers and smelters</li> <li>• Conducting on-site audits at first-tier suppliers</li> <li>• Requesting a ban on transactions with suppliers using uncertified smelters</li> </ul>

The following salient human rights risks are also addressed in the [Samsung Global Human Rights Principles](#): occupational health and safety, non-discrimination and diversity, anti-harassment, product responsibility including AI Ethics, digital responsibility including privacy and freedom of expression, and environmental responsibility.

## 4. Actions Taken to Assess and Address Modern Slavery Risks

At Samsung, we take a global approach to assessing and addressing modern slavery risks. As a company within the Samsung group, SEAU complies with applicable global Samsung policies and processes. Therefore, this Statement refers to actions taken to assess and address modern slavery at a global level, as well as specific actions SEAU has taken at a local level in this reporting period.

### 4.1. Human Rights Due Diligence and Measures Undertaken: Samsung Operations

#### *4.1.1 Introduction: Human Rights and Labour Policies*

Samsung is committed to respecting the human rights and freedom of all. We strive to comply with and respect the principles of the following international standards, as well as, at a minimum, comply with the laws of the countries in which we operate:

- International Bill of Human Rights (composed of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social, and Cultural Rights);
- International Covenant on Civil and Political Rights;

- International Covenant on Economic, Social and Cultural Rights;
- ILO Declaration on Fundamental Principles and Rights at Work;
- United Nations Guiding Principles on Business and Human Rights;
- OECD Guidelines for Multinational Enterprises;
- Convention on the Rights of the Child;
- Convention on the Elimination of All Forms of Discrimination Against Women; and
- Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and
- Children.

We are a member of the Responsible Business Alliance (RBA). We abide by the RBA Code of Conduct and comply with the laws and regulations of the countries where we conduct our business. To support this, we have also developed and strictly abide by our own set of internal policies, guidelines, and principles.

Our key global policies are located on our dedicated [Policies & Documents](#) webpage. Our key policies located on this webpage include:

- Samsung Electronics Global Human Rights Principles (policy);
- Global Code of Conduct;
- Global Grievance Resolution Policy (published in 2024);
- Business Conduct Guidelines;
- Global Purchasing Code of Conduct;
- Samsung Supplier Code of Conduct and Supplier Code of Conduct Guide;
- Child Labour Prohibition Policy;
- Anti-Discrimination and Harassment Policy;
- Migrant Worker Policy;
- Student Worker Policy in China; and
- Guidelines for Apprenticeship in India.

#### ***4.1.2 Samsung Electronics Global Human Rights Principles (policy)***

This section provides a brief summary of our key policies.

Our Global Human Rights Principles (the Policy) highlights our respect for human rights in line with the UN Guiding Principles on Business and Human Rights (UNGPs). The Policy consolidates all of the commitments made in our existing policies and reaffirms our promise to prevent human rights abuses and to take effective remedies for those affected if and where harm is caused by and through our business activities.



Through the Policy, we disclose our salient human rights impacts risks for the first time, which have been identified through our continuous engagements with internal and external stakeholders, internal assessments, third-party audits, human rights risk assessments, human rights impact assessments, and grievance channels. Forced and child labour are one of the salient human rights risks identified by Samsung.

In the document we point out further commitments such as to the Employer Pays Principle and that we actively monitor and work with our supply chain partners to prevent the payment of recruitment fees by workers and the occurrence of other ILO forced labour indicators. Overall, the policy sets out the scope of our commitment to human rights which encompasses the wider set of rights holders, who are potential and actual affected individuals and groups, including local communities, partners, consumers, and external stakeholders, in addition to the employees of our own operations and the workers in our supply chains. The full text of the [Samsung Electronics Global Human Rights Principles](#) can be viewed online.

#### ***4.1.3 Global Code of Conduct***

Our [Global Code of Conduct](#) and Business Conduct Guidelines are the overarching standards for all Samsung employees. They act as a guide for employees to adhere to when conducting all business activities.

Our Global Code of Conduct details the aforementioned Five Samsung Business Principles and what these mean specifically to Samsung and its employees. It also clarifies our detailed principles on: work environment; employment conditions; grievance handling; equality and diversity; child labour and forced labour, and other areas to help our employees execute their day-to-day tasks in a manner that ensures the protection of human rights. Through the Guidelines on the Global Code of Conduct, we ban any involvement in or imposition of coerced or exploitative labour, such as modern slavery and human trafficking and express a zero tolerance policy towards any forms of child labour at any stage of our business.

#### ***4.1.4 Business Conduct Guidelines***

The [Business Conduct Guidelines](#) emphasise the importance of Samsung Electronics employees, who are ambassadors for the brand, to uphold Samsung's standard of corporate social responsibility, integrity, and accountability. The Business Conduct Guidelines are based on the Global Code of Conduct and provide detailed guidance for employees in making sound decisions. They cover key topic areas under the company's core principles: People, Excellence, Change, Integrity, and Co-prosperity.

#### ***4.1.5 Global Purchasing Code of Conduct***

The Global Purchasing Code of Conduct comprises the key requirements from the regulations and guidelines on purchase-related tasks and ethical obligations of employees in charge of purchasing. It takes precedence over other regulations and manuals as far as purchasing is concerned.

#### ***4.1.6 Supplier Code of Conduct and Supplier Code of Conduct Guide***

Samsung takes steps to ensure that its suppliers support and protect internationally proclaimed human rights, and respect the dignity and diversity of individuals and their fundamental rights. Achieving this requires management policies and systems to mitigate human rights violations and build effective labour management relations based on mutual trust and successful communication.

In 2024, we revised our Supplier Code of Conduct to reflect revisions to the RBA Code of Conduct, including new requirements specifying supplier responsibilities to participate in key supplier due diligence and improvement action item follow-through. We require our suppliers to implement the same revisions. We ensure that provisions regarding compliance with the [Supplier Code of Conduct](#) and [Supplier Code of Conduct Guide](#) are incorporated in every contract, and require suppliers to sign a separate written agreement committing to compliance of our code. The Supplier Code of Conduct Guide helps suppliers more effectively and easily follow the Supplier Code of Conduct and practise compliance management.

#### **4.1.7 Global Grievance Resolution Policy 2024**

We established the [Global Grievance Resolution Policy](#) in April 2024 to ensure grievances are handled in a fair and consistent manner globally. The policy provides an overview of our grievance channels, handling procedures, and principles.

In order to minimize gaps between the policy and actual operations, we reviewed the current status of grievance handling operations at our global and domestic business sites and those of our subsidiaries and all organizational units that handle grievances. Additionally, we established and released our first Global Grievance Resolution Policy which was completed through the collection of the opinions of our internal and external stakeholders such as employee representative bodies, international human rights organizations and grievance handling institutions.

Samsung is committed to providing access to the grievance process to affected individuals or groups via our grievance channels in the event that the company causes or contributes to negative impacts on the rights of individuals or groups. Our grievance channels are available to all employees of Samsung, all partners in our value chain, consumers, civil society, and everyone else who has a legitimate concern regarding actual or potential adverse impacts caused or contributed to by Samsung. We are committed to promptly investigating allegations and providing fair and effective remediation by ourselves and/or in cooperation with other stakeholders.

The Global Grievance Resolution Policy sets out grievance channels for different categories of stakeholders, and outlines Samsung's grievance handling procedure, principles of grievance handling as well as how Samsung is ensuring the implementation and effectiveness of the policy in line with the *United Nations Guiding Principles Reporting Framework* effectiveness criteria.

This Global Grievance Resolution Policy aligns with Recommendation 8 of the Attorney General's Department's *Report of the Review of the Modern Slavery Act 2018* (Cth), which recommended that new mandatory reporting criteria be added to the Modern Slavery Act that would "require an entity to report on grievance and complaint mechanisms made available by the entity to staff members and other people", which the Federal Government agreed in principle to this Recommendation in its Response published on 2 December 2024.

#### **4.1.8 Child Labour Prohibition Policy**

Samsung has a zero tolerance policy against child labour as prohibited by international standards and national regulations in all stages of its global operations. The [Samsung Child Labour Prohibition policy](#) applies to all of Samsung's worksites as suppliers, including third party recruitment agencies, and sets out strict rules against the employment of children and young people at Samsung worksites and its suppliers.

Special protection is provided for young workers who should not perform hazardous work overtime, or night shift work. Samsung works with various stakeholders, has

partnerships and programs to address root causes of child labour, including remediation programs on providing financial support to enable the child to remain in the agreed remediation program until he/she reaches the minimum working age.

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

Samsung respects all individuals' right to work in an environment free of discrimination and bullying. Our [Anti-Discrimination and Anti-Harassment Policy](#) stipulates relevant conventions adopted by international human rights frameworks (e.g. UDHR, UNGPs) and the ILO, and reaffirms our dedication to complying with them. We pledge to remain committed to fostering a workplace where our employees are valued and treated respectfully, given equal opportunities, and motivated to demonstrate their competence to the fullest.

## **4.1.10 Migrant Worker Policy**

Migrant workers are often vulnerable to the risk of forced, bonded, or indentured labour as well as human trafficking as they are seeking economic opportunities outside of their own country. This could be due to unstable political or economic situations in their countries. As a result, migrant workers are identified as a key risk group who are at heightened risk of adverse human rights impacts. Our [Migrant Worker Policy](#) protects the rights of migrant workers. To facilitate the implementation of this policy, we developed the Internal Guide for Migrant Worker Policy, which consists of 14 sections from recruitment to employment contract termination. It is based on the guidelines of RBA, BSR (Business for Social Responsibility), and the Institute for Human Rights and Business (IHRB). We require our production sites, suppliers, and recruitment agencies to monitor the ILO forced labor indicators and faithfully implement the Internal Guide for Migrant Worker Policy.

Other human rights policies and guidelines currently supporting operations at Samsung, where the risk of violations have been identified and which require specific management measures, include our Student Labour Policy for China, and Apprentice Training Guidelines for India. These policies are listed on Samsung's Sustainability website.

In the reporting period, SEAU also continued to operationalize its own local Anti-Modern Slavery Policy which was designed to educate SEAU's staff about modern slavery, describe SEAU's approach to addressing the risks of modern slavery within SEAU's business operations and broader supply chains, and inform SEAU staff of the procedures to follow if they have any concerns about modern slavery. This policy, and SEAU's broader modern slavery compliance program, was communicated to all staff.

## **4.1.11 Labour and Human Rights Framework**

We operate across vast geographies, including in locations where social, economic, and political factors may put human rights and decent working conditions at risk. We believe that respect for human rights is the best foundation to run our business and that it adds value to Samsung.

We are committed to making our best effort not to be complicit in or cause any human rights violations and to respect the human rights of every individual or group connected to our business with particular care for vulnerable and marginalized groups who may be impacted by our activities. In line with the UNGPs and OECD guidelines we are committed to



preventing, mitigating, and addressing adverse human rights impacts and to provide timely and effective access to remedies where harm has occurred. This accounts for our own business activities, and we hold our suppliers and other business partners to this same high standard.

Our Labour and Human Rights Framework is based on the aforementioned outlined international standards and principles and consists of policies, due diligence, access to remedy, stakeholder engagement, transparency & reporting and governance, and it is the foundation of our approach to respect human rights in our own operations as well as our supply chain and other business relationships.

In 2024, to diligently fulfill the corporate human rights due diligence obligations being legislated in various countries, Samsung began reviewing and improving its human rights risk management system. This comes after Samsung hosted its first Human Rights Stakeholder Workshop in 2023 in collaboration with the International Labour Organisation, UN human rights experts, global NGOs, and global union experts to discuss its approach to human rights due diligence.

#### ***4.1.12 Human Rights Governance Structure***

We believe solid governance is essential to successfully embedding respect for human rights in our business operations. Our [human rights governance](#) is centered on the Board of Directors, Sustainability Committee, Sustainability Council which is chaired by our Global CEO, and the Labor and Human Rights Council. This structure facilitates the supervision and management of labour human rights conditions across our business at various levels.

The Sustainability Committee, which sits under the Board of Directors, supports the Board by closely monitoring relevant sustainability-related issues. The Sustainability Committee determines priorities for sustainability strategies and incorporates human rights and other sustainability issues (such as labor rights, diversity, equity and inclusion) into the business decision-making process. The Sustainability Council, headed by the CEO, reviews and manages company-wide sustainability issues with those in charge of sustainability at the headquarters and at each business unit.

Lastly, the Labor and Human Rights Council has been set up to enable cross-functional engagement; it consists of the People Team, Partner Collaboration Center, Vendor Management Task Force, Global Technology Research, Global EHS Office, Corporate Legal Office, Compliance Team, Investor Relations Team, and Corporate Sustainability Center. The Council discusses and coordinates global labour and human rights issues at our business sites and across our supply chains to address and mitigate potential human rights risks. Agenda items discussed at the Council, depending on the materiality and urgency, are escalated to the Sustainability Committee and Sustainability Council.

Within the People Team, a designated executive (with company-wide responsibilities for HR, labour relations, and human rights activities at business sites outside of South Korea) also leads the promotion of human rights initiatives across the company. This executive's performance evaluation and incentives are tied to the results of human rights due diligence conducted at various business sites.

Each department participating in the Labor and Human Rights Council also actively conducts human rights due diligence to identify, prevent and mitigate human rights impacts that may have caused or contributed by our business operations. The Corporate Sustainability Center manages the overall sustainability agenda of Samsung and handles human rights-related issues by collaborating closely with relevant

organizational units such as the People Team, the Partner Collaboration Center and Global Technology Research when necessary.

#### ***4.1.13 Transparency and Reporting***

We publicly disclose our activities concerning the respect of human rights in our annual sustainability reports based on the Global Reporting Initiative (GRI) Standards. The annual disclosure is also an extension of our efforts to comply with the Canadian Forced Labour and Child Labour Act, Norwegian Transparency Act, United Kingdom Modern Slavery Act, and Australian Modern Slavery Act, and to fulfil the evaluation criteria of the Corporate Human Rights Benchmark (which assesses human rights management levels of global companies) – and KnowTheChain (which helps companies address forced labour in global supply chains). We also disclose official statements on relevant human rights issues via the online platform operated by the Business and Human Rights Resource Centre, a UK-based non-profit organization dedicated to research in the human rights impacts of corporate activities.

Our efforts to raise due diligence standards and practices that protect workers' rights was recognised in industry benchmark studies. We currently rank 1st for our efforts to address forced labour in our own business and supply chain within the KnowTheChain ICT benchmark. In 2024, we ranked 3rd in the Global Child Forum Benchmark (electronics B2C sector).

#### ***4.1.14 Stakeholder Engagement***

Over the years, expectations from various stakeholders (i.e. NGOs, governments, customers, shareholders, suppliers, and employees) have grown substantially, together with our responsibilities as a global corporate citizen. In this spirit, we understand the importance of stakeholder engagement and collaborate with stakeholders to develop workers' rights policies, capacity building and to implement regional projects.

#### ***4.1.15 Salient Human Rights Risk Assessment and Management***

We define our salient human rights risks as those human rights at risk of the most severe negative impacts through our business activities and relationships. We disclose our salient human rights risks in our Global Human Rights Principles (the Policy), which are based on a comprehensive analysis of human rights due diligence results, NGO reports, media articles, stakeholder dialogues, Samsung Culture Index (organizational culture diagnosis) findings and employee grievances. Our human rights due diligence is performed with a focus on these salient human rights risks based on priority identified through continuous stakeholder engagement, internal assessments, external audits, grievance channels, and human rights risk and impact assessments. Taking these risks into account, we prioritise our efforts and determine activities to prevent, mitigate, and address human rights impacts.

### **4.2 Human Rights Due Diligence and Measures Undertaken in Our Own Entities and Subsidiaries**

This section provides a summary of these risks, and actions taken to mitigate, minimize and eliminate such risks.

#### ***4.2.1 Policies and Standards***

Samsung adheres to the principles put forward in the policies outlined above, as well as its own [Samsung Global Code of Conduct](#) and [Business Conduct](#) Guidelines as well as the [Responsible Business Alliance \(RBA\) code of conduct](#) against which audits in our own factories across the globe are conducted. We are furthermore a signatory of the



[UN Global Compact](#), one of the world's largest corporate sustainability initiative, and adhere to its [ten principles](#).

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.
- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.
- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.
- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

#### ***4.2.2 Human Rights Due Diligence***

Samsung is committed to identifying, preventing, mitigating, and addressing actual or potential impacts on human rights throughout its global operations, supply chain, and other business relationships. The company reflects the lessons and implications learned from these human rights due diligence activities in the 'Process to respect Human Rights' to ensure that appropriate policies and management systems are in place. In addition, the company considers expanding the frequency and type of due diligence when circumstances arise, such as entering new regional markets, starting transactions with new suppliers, or when new human rights issues arise due to changes in the international situation.

#### ***4.2.3 Samsung's Salient Human Rights Impacts***

To identify actual and potential human rights impacts, Samsung conducts various assessments including self-audits at its workplaces, third-party audits based on RBA standards, and human rights impact assessments using external human rights experts. We also analyze reports from civil society organizations, media articles, conversations with various stakeholders such as human rights experts and investors, and grievances and complaints filed by employees to identify human rights risks related to our business activities. As a result, we have selected 11 major human rights impacts of Samsung and disclosed them through the [Samsung Electronics Global Human Rights Principles](#).

#### ***4.2.4 Human Rights Risk Assessments (HRRAs)***

In 2024, Human Rights Risk Assessments (HRRAs) were carried out in five different regions across the globe. These regions include Europe, the Middle East and Africa, North America, Latin America and Asia. Samsung's HRAA process includes the following:

- Taking steps to assess salient human rights risk by site by region and considering the seriousness of the risk and the likelihood of occurrence.
- Generating a regional human rights risk heat map based on assessment results to distinguish the level of risk.
- Operating regional workshops to discuss the human rights risk heat map and the appropriateness and applicability among regional subsidiaries.
- Communicating with external stakeholders in order to discuss and finalize a regional human rights risk heat map.

Samsung has assessed the seriousness of each salient human rights risk by determining the level of possible negative impact on an individual or a community, the number of people impacted and the possibility of resolving or remedying the negative impact. We have additionally reviewed the likelihood of each salient human rights risk by identifying areas of operation and specific business models that may pose greater risk and evaluating the human rights management capacity and level of interest of business partners. To further determine the likelihood of occurrence, we reviewed the specific environmental aspects of the region in which the business operates (e.g. war, armed conflict, weak rule of law, or lack of effective legislation) and assessed whether risk prevention and mitigation measures have been implemented.

#### ***4.2.5 Assessment by Internal Experts***

Based on the Labor and Human Rights Risk Management System, Samsung assesses the level of respect for human rights at its workplaces and conducts human rights impact assessments in a simplified way and with topic-specific assessments.

#### ***4.2.6 Labor and Human Rights Risk Management System***

Our recently-upgraded monitoring system supports labour rights compliance and compliance management at our workplaces in compliance with the Business & Human Rights Benchmark (BHRB) System. This system assesses each workplace's compliance with international human rights standards such as the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the UN Guiding Principles on Business and Human Rights (UNGPs). The evaluation indicators consist of 159 detailed indicators in 39 items in four categories: labour rights, organizational culture, working environment, and diversity, equity, and inclusion. Samsung evaluates the level of each workplace annually and conducts a simplified human rights impact assessment for workplaces that need improvement. Additionally, the system allows sites to identify best practices for each indicator, enabling such sites to improve autonomously their human rights compliance activities.

In 2024, Samsung conducted BHRB evaluations for 19 manufacturing sites and issued consulting reports for each site, providing guidance on areas requiring improvement. In 2025, the company plans to further systematize site operations using the BHRB evaluation indicators and support each location in embedding human rights respect into its management practices.



#### ***4.2.7 Simplified-Human Rights Impact Assessment***

Our in-house labour and human rights experts identify locations that need improvement based on management indicators and take an in-depth look at the level of respect for labour rights in the country of operation, the results of our organizational culture assessment, complaints received, workforce changes, potential violations of company policies, and previously identified human rights risks. The Simplified Human Rights Impact Assessment is a more streamlined approach than a human rights impact assessment conducted by a third-party human rights organization. Interviews are conducted with stakeholders in the country of operation as well as vulnerable populations to assess the potential and actual human rights impacts of our operations, identify measures to prevent, mitigate, and manage identified impacts, and track implementation.

We have recently conducted a Simplified Human Rights Impact Assessment for our U.S. manufacturing operations in our Device Experience (DX) division, and engaged with The Center for Child Rights and Business, an expert on children's rights, to identify the human rights impacts of our operations on employees at our sites, as well as potential and actual human rights impacts along our value chain and in the region.

#### ***4.2.8 Topic specific Assessments***

We created assessment tools in line with international standards and conduct on-site audits for vulnerable groups such as migrant workers and female employees in the company. We conducted migrant worker audits for the four production sites that employ migrant workers (see more information below) to ensure compliance with our migrant worker policy and policy implementation guide based on RBA methodology and key industry references. We also utilized the "Gender Equality Self-Assessment Toolkit," developed with reference to UN Women Women's Empowerment Principles (WEPs), the RBA methodology, and the World Benchmarking Alliance's Gender Benchmark methodology, to identify discriminatory practices in the workplace against female employees.

In 2024, we conducted audits to identify risk factors related to labour-management relations at our manufacturing sites. Seven manufacturing sites with a history of related grievances were selected for review. The audits focused on more than 100 checkpoints, including external factors such as inflation rates in the host country and wage levels in neighbouring companies, as well as HR systems, grievance channels and employee representative bodies, communication with field managers and site heads and the capabilities of labour-management relations personnel.

#### ***4.2.9 Third-Party Human Rights Impact Assessments and Human Rights Impact Analysis***

A human rights impact assessment (HRIA) analyzes the impact of business activities on rights holders, such as employees, supply chain workers, community members, and consumers. HRIAs typically involve more in-depth consultation with affected stakeholders than other forms of human rights assessments. Human rights risk analysis is a type of human rights due diligence that prioritizes actual and potential human rights impacts based on the severity of the human rights risk (e.g., the size of the affected population, the scope of the impact, and the likelihood of the risk being recoverable) and the likelihood of occurrence. A human rights impact analysis helps companies focus their resources on managing human rights risks that are likely to have a negative impact, and concludes with the identification of material human rights risks.

Samsung has conducted human rights impact assessments at its Vietnam operations location and its Turkiye production facility.

#### ***4.2.10 RBA Third Party Validation (Validated Assessment Program)***

As a member of the Responsible Business Alliance, Samsung is committed to complying with the RBA Code of Conduct.

We conduct the RBA Self-Assessments at our production sites every year, and conduct on-site audits based on the RBA's third party audit (VAP) standards at least once every two years at all of our sites, not just the high-risk sites. Production sites that are found to be non-compliant are required to develop a corrective action plan to improve the findings and implement systems to prevent recurrence, which is approved by the inspection experts and the approved corrective plan is completed within the timeframe set by the RBA standards.

RBA third-party audit results in 2024:

- DX Division: 7 facilities audited
- DS Division: 6 facilities audited

Nine out of thirteen worksites were awarded a perfect score with no instances of non-compliance found. Six plants were partially non-compliant in labour, health and safety, ethics, and supply chain requirements. Corrective actions were completed for issues that could be immediately addressed. For the issues that take time to remediate, corrective actions are being implemented in accordance with the VAP criteria.

#### ***4.2.11 Grievances and Access to Remedy – Samsung***

Samsung is committed to conducting thorough due diligence to ensure that its business activities do not adversely affect human rights or contribute to human rights violations. In the event of a complaint by an individual or group of individuals who have experienced negative impacts from the company's business activities, the company endeavors to provide effective remedies to the affected individuals or groups. In April 2024, we established and published the Global Grievance Resolution Policy. Following this, we developed guidelines to ensure the policy's effective implementation and distributed these documents to all subsidiaries worldwide.

In January 2025, we appointed dedicated grievance resolution personnel at several sales subsidiaries and research centres lacking clear grievance channels and governance systems. We also provided training on our grievance resolution policy and guidelines to all grievance resolution personnel worldwide, including those that have been newly appointed. This training is aimed at ensuring that our grievance mechanism operates in line with the effectiveness criteria for non-judicial grievance mechanisms outlined in the UN Guiding Principles on Business and Human Rights.

Samsung offers a variety of direct and anonymous grievance channels in various languages for individuals or groups that are adversely affected by our business operations. All grievances are promptly investigated in line with our internal procedure and timelines to seek effective and satisfactory remedies. Upon identifying human rights abuses, we investigate their root causes and change our systems, processes, and practices if deemed necessary to prevent the recurrence of similar cases. Our grievance channels are open to both internal and external stakeholders including our suppliers' employees and civil society organisations. While most of our channels are operated at the corporate level, we also partner with third-party

organisations in select countries to provide additional channels for our employees. Samsung offers a variety of grievance channels in various languages for individuals or groups that can be adversely affected by our business operations. Whistleblowers can report grievances anonymously or choose to be identified, and the company maintains confidentiality over receipt of the grievance and its content and the privacy of the individuals involved. We do not tolerate retaliation against the complainant in response to filing a grievance. Reported grievances are assigned to different organisational units based on the nature of the grievance and, if necessary, several organisational units work together in deciding on effective remedies.

Samsung's grievance mechanism was designed by adopting the effectiveness criteria for "non judicial grievance mechanisms" set forth in Article 31 of the "United Nations Guiding Principles on Business and Human Rights" ("UNGPs"). It handles received grievances promptly in accordance with internal procedures and provides effective remedies to victims in cases where human rights violations are confirmed. We also investigate root causes and make changes to systems, processes, and work practices as necessary to prevent recurrence of grievances. Furthermore, we provide training to our employees and representatives on grievance channels and procedures, and listen to and reflect their opinions.

While grievances are generally processed in the order in which they are received, higher-priority complaints are dealt with in an urgent manner due to their severity, in line with the UNGP's requirements, considering that delayed responses could lead to irremediable harm. The grievance procedure consists of four steps – receipt, investigation, notification, and resolution – and the goal is to handle and close grievances within three months. However, depending on the characteristics of the grievances such as where the grievance involves external stakeholders or possible violations of the law, the procedure may take more than three months and there may be changes to the procedure itself

We also conduct the Samsung Culture Index (SCI) survey each year for our employees around the world to diagnose our organizational culture. We check if the problems reported on are properly remedied and receive feedback through post-consultation satisfaction surveys.

In 2024, Samsung received a total of 33,148 grievance reports, of which 98.7% were addressed, closed or remediated as of the end of December 2024.

We also promote external stakeholders' grievance communication channels. We operate a global communication address ([sustainability.sec@samsung.com](mailto:sustainability.sec@samsung.com)) to listen to the opinions of various external stakeholders. We continually evaluate the effectiveness of our internal and external grievance procedures and seek to improve accessibility and system design where necessary.

On a local level, SEAU offers its employees the opportunity to report any compliance issues through anonymous use of a phone line, or by sending an email to an internal compliance inbox. All grievances are then investigated pursuant to SEAU's internal procedures.

#### ***4.2.12 Stakeholder Engagement***

Stakeholder engagement is one of the core pillars of Samsung's Labour and Human Rights Framework. It is a company-wide effort integrated into our business activities, and an important element of our human rights due diligence process.

As part of our ongoing efforts to uphold human rights, we strive to engage in open, active, and direct communication with our stakeholders. As a part of the ICT industry

ecosystem, Samsung acknowledges that its business activities may impact workers and communities within our value chains. We engage in dialogue with various stakeholders, including all rights holders and those potentially affected by our operations. We listen to their perspectives, draw insights from them, and incorporate these findings into our management activities

Our stakeholder engagement activities are diverse, ranging from informal dialogue to strategic partnerships. Our stakeholders include our employees, business associations and industry initiatives, civil society organizations, international organizations such as the United Nations, benchmarking agencies, human rights experts and consultancies, customers, suppliers, investors, and governments, among others.

Further information on partnerships and collaboration can be found in our 2024 Sustainability Report (downloadable from our website (<https://www.samsung.com/global/sustainability/digital-library/customized-report/>)).

In 2024, Samsung hosted its second human rights stakeholder workshop, bringing together a variety of international human rights organizations and experts to discuss Samsung's salient risks and gather stakeholder feedback to improve Samsung's internal risks management system and mitigation strategies.

#### ***4.2.13 Training and Development***

In order to help our employees understand their rights and train managers and relevant departments on the implementation of human rights into business practices and everyday activities, Samsung conducts a range of different labour and human rights trainings annually, tailored to different target groups. Those include trainings to procurement teams on human rights more broadly and conflict minerals management more specifically. We also lead internal global networks supporting us in further embedding human rights across the organization - ranging from a global Human Rights Champion network of more than 50 professionals to drive human rights awareness and activities within the organization to a global network of 150 HR Diversity & Inclusion Managers driving local buy-in, initiatives, projects and engagement.

Since 2020, Samsung has conducted human rights training for internal human rights champions with the goal of integrating human rights into each subsidiary's business activities. Approximately 60 human rights champions, who are from human resources, labor relations, compliance and training serve as human rights trainers in their respective subsidiaries. They identify potential human rights risks that may arise in their business sites, interact with other human rights champions from other subsidiaries and advise each other on their activities. In 2024, they received comprehensive training from global human rights experts invited from outside the company. The training covered practices and legislation in various countries, Samsung's newly introduced Global Grievance Policy, freedom of association and the right to collective bargaining.

In 2024, SEAU participated in Global Human Rights training which was mandatory for all SEAU employees. The training, delivered online, outlined what constitutes modern slavery and child labour, the risks and impacts of human rights violations and Samsung's due diligence process and activities. SEAU achieved a completion rate of 86% while globally, Samsung achieved a 95.7% completion rate for the Global Human Rights training.

Aligning with international calls to strengthen human rights due diligence in the downstream supply chain, Samsung has offered training for due diligence managers from its sales subsidiaries in previous years. The training focused on how we respect

the labor and human rights of all stakeholders including customers, subcontractors, and business partners as well as everyone at our sales subsidiaries. Emphasizing our commitment to respecting human rights, the training covered how we conduct human rights due diligence and case studies on human rights violation related to sales in the electronics industry, and builds a stronger foundation for human rights protection in future years.

In 2024, Samsung hosted its first annual Global Human Rights Workshop for employees where individuals from different Samsung subsidiaries, including SEAU, attended a virtual workshop to learn about human rights efforts across the Samsung group of companies. The workshop focused on Human Rights trends and developments on a global scale, Samsung's salient human rights risks assessments and key focus areas for supply chain due diligence to be addressed through 2024. Some localized efforts were showcased by Samsung Germany, Samsung Türkiye-Production and Samsung Latin America.

#### ***4.2.14 Modern Slavery and Ethical Recruitment***

In 2024, Samsung's manufacturing site in Malaysia introduced its recruitment process improvements, treatment enhancements and compliance conferences for partner companies at a regional seminar organised by the local government on "Eliminating Forced Labor". This followed training provided to our subsidiary in Malaysia by the International Organisation for Migration (IOM) in 2023, which was provided to 56 personnel managers from 41 first-tier suppliers to eradicate forced labor for migrant workers.

Samsung has also previously organised workshops for the executive management and HR staff of our production sites and suppliers employing migrant workers and recruitment agencies, with the IOM, to raise awareness on the importance of the protection of migrant workers' rights within our supply chains, which training built the foundations for ongoing work protecting migrant workers' rights.

We regularly monitor the overall working conditions at our production sites through internal audits and third-party audits aligned with the RBA Code of Conduct, in which "freely chosen employment" is a core indicator. Samsung also pays close attention to its production sites in Malaysia, Poland, Hungary, and Slovakia which employ migrant workers.

In past years, we have performed our own on-site audits on all four production sites staffed by migrant workers to verify their compliance with the Policy and Guidelines. These audits were based on the RBA methodology centering on the needs and rights of migrant workers and key industry references. We conducted interpreter-supported interviews with migrant workers, their families, and other vulnerable workers in addition to interviews with the HR managers of the production sites and staff members of the recruitment agencies. These interviews were complemented by document verification and inspections of dormitories and off-site residential facilities for migrant workers.

The audit results showed that most practices of the production sites were in compliance with the Policy and Guidelines, however we discovered that some migrant workers had paid transportation expenses in connection with their recruitment, which expenses we reimbursed. To prevent the recurrence of similar incidents, we have continued to engage in activities to raise the awareness of local HR managers, recruitment agencies, and workers on our internal standards for migrant workers' rights, including the prohibition of recruitment fees. Non-compliant production sites developed corrective actions for their non-compliances in accordance with the



Internal Guide for Migrant Workers, and local employee relations experts are monitoring the follow-up steps taken by the sites.

Further information on Samsung's human rights work in its own operations including figures can be found in the global sustainability report, published annually, on [the Samsung Global Sustainability](#) website.

#### ***4.2.15 Child Labour Prohibition Management***

We regularly monitor the overall working conditions at our production sites through internal audits and third-party audits aligned with the RBA Code of Conduct, in which "young workers" is a core indicator. All of our subsidiaries comply with the strict employment process and age verification.

In countries with a higher risk of child labour, particular attention is given to detect fake IDs, we conduct face-to-face interviews and use facial recognition systems, and conduct special audits prior to or during the summer and winter breaks when students or people under the legal minimum age usually look for employment at factories.

### **4.3 Human Rights Due Diligence and Measures Undertaken for Business Relations and Suppliers**

#### ***4.3.1 Policies and Standards***

Complementing Samsung's Global Human Rights Principles (policy) and other human rights related policies, Samsung requires its suppliers to adopt our Supplier Code of Conduct and Guidelines, which is based on international human rights principles and which set of social, environmental and ethical industry standards. As a signatory of the UN Global Compact, one of the world's largest corporate sustainability initiative, we adhere to its ten principles as well as to the Responsible Business Alliance (RBA) code of conduct against which audits in our supply chain across the globe are conducted. Our Global Purchasing Code of Conduct comprises the key requirements from the regulations and guidelines on purchase-related tasks and ethical obligations of employees in charge of purchasing. Samsung's Responsible Minerals Sourcing Policy sets expectations for its supplier and their subcontractors on responsible minerals management.

We demand prompt remedial action for any violations related to our top priorities, such as the prohibitions of child labour and forced labour and impose rating penalties on those suppliers found to have committed violations in the comprehensive evaluations.

#### ***4.3.2 First Tier Supplier***

To ensure compliance, we operate an integrated work environment management process consisting of self-assessments, on-site audits, and third-party audits. The main results of on-site audit and third-party audit are reflected in comprehensive evaluations and policy improvements for the next year, and those suppliers rated outstanding are provided benefits such as extra points in the comprehensive evaluations and cash rewards.

Samsung operates a sustainability management reward program, where suppliers who have been determined to have performed well in the field are provided incentives such as cash and rewards. In 2024, a total of six suppliers were rewarded in the areas of environment, social and fair trade.

We perform comprehensive annual evaluations on our suppliers based on transactional data and materials submitted by each supplier to ensure the competitiveness of our supply chain. Major evaluation items include technology, quality, response, delivery, production cost, environment and safety, finance, and labour and human rights. The results are reflected in the following year's purchasing policy to encourage our suppliers to improve their capabilities. In 2024, we conducted a comprehensive evaluation of 92% of our suppliers, and found 75% were rated excellent, while 2.3% needed improvement.

In 2024, we also began implementing a new program that requires high-risk first-tier suppliers to conduct on-site audits of their second-tier suppliers. To support this, we provided a dedicated inspection toolkit aligned with its own audit standards, and conducted training for first-tier suppliers. Using our risk identification criteria, first-tier suppliers identified key second-tier suppliers and conducted audits on over 300 second-tier companies.

In 2024, we also expanded our third-party audit program for selected second-tier suppliers to include 90 first-tier and 33 second-tier suppliers. Looking ahead, we plan to develop a strengthened, integrated due diligence policy in 2025 to enhance risk identification and management processes in response to evolving global supply chains.

#### ***4.3.3 Supplier procurement***

Samsung comprehensively evaluates and systematically selects new suppliers based on six criteria of purchasing, quality, environment and safety, labour and human rights, anti-corruption, and finance. In-house experts in each criteria not only conduct document reviews but also additional on-site interviews and surveys. We especially verify our suppliers' labour 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 2024, the DX Division selected 75 new suppliers while the DS Division selected 11 new suppliers.

#### ***4.3.4 Self-Assessment***

Based on RBA's criteria, we developed a self-assessment tool and distribute it to all of our first-tier suppliers to perform annual self-assessments. We also encourage them to obtain certification related to international standards in corporate social responsibility (such as ISO, SA 8000, etc.) and monitor their progress through self-assessment.

We have adopted the RBA's updated self-assessment standards to make it easier for suppliers to respond to audits by Samsung, and to grievances that are reported by their workers.

We actively collect suppliers' opinions and suggestions to establish a more effective self-assessment system and to reflect improvements accordingly in the next assessment. We also identify supplier risks in areas like recruitment fees, forced labour, child labour and industrial accidents. We conduct on-site audits, monitor for improvements at suppliers with potential violations and seek their input to improve our self-assessment system and then reflect their feedback in subsequent assessments.

#### ***4.3.5 On-Site Audit***



Our dedicated organisational unit consisting of RBA-certified auditors conducts on-site audits on our suppliers. We review their documents thoroughly, including wage information, contracts, and policies, and perform interviews of their employees (a minimum of square root of the total number of employees), engaging both working level staff and managers during the audits. We require each supplier to submit its improvement plan and results, and our country/region-specific staff in charge reviews them along with the supplier's employees or representatives.

We guide suppliers to take immediate remedial actions on site if possible and monitor whether they have taken remedial actions within three months from the registration of the improvement requirements. We monitor facility installation, certification, and other matters that require extended time and significant expenses over a longer term based on the respective supplier's improvement plan. We demand suppliers found to have committed violations of the RBA audit criteria or in our priority areas, including violations of Samsung's prohibition of child labour and forced labour, to take immediate remedial actions and we impose penalties during our comprehensive evaluations as necessary.

We also operate a working-hours monitoring system to ensure that our suppliers comply with our work hours requirements. Through this system, we review the average working hours and maximum working hours of our suppliers' employees at different business sites on a monthly basis and rate them in accordance with the seriousness of non-compliance if applicable and as necessary. We analysed working hour compliance rate by first-tier suppliers in 2024, based on third-party audited results, and the rate of compliance was 93%.

In 2024, DX Division conducted on-site audits of all 368 high-risk suppliers using the RBA assessment criteria and implemented corrective actions where necessary, resulting in a final compliance rate of 95.5%. Meanwhile, DS Division audited nine key suppliers of Samsung China Semiconductor (SCS) Corporation, carrying out corrective measures and achieving a final compliance rate of 89.9%.

#### ***4.3.6 Special Audits to Eliminate Forced Labour***

In 2024, we conducted audits on 53 suppliers in five countries in Southeast Asia and Europe, namely Malaysia, Hungary, Slovakia, Poland and Thailand, using the Specialty Validates Assessment Program, which is an RBA forced labour-specialized program.

These audits assessed 22 items, including on-site audit of recruitment agencies, holding contracts for recruitment agencies by first-tier suppliers, reimbursement of recruitment fees, providing contracts and salary statements written in local languages, conducting introductory education before departure from home, rescuing victims; holding records, pay stub provisions, pre-departure introductory training, and remediation procedures and record-keeping.

As a result of reviewing contracts with recruitment agencies, it was found that the suppliers used 57 agencies in 14 countries to recruit migrant workers. The initial average compliance rate of all 53 suppliers was 93%, however we discovered that some suppliers in Malaysia, Thailand and Poland had charged workers recruitment fees. In addition, we confirmed 79 audit findings related to the absence of victim remediation procedures, failure to provide pay stubs in local language, and a lack of due diligence by recruitment agencies. We collaborated with local subsidiaries to support monthly status improvements, ultimately confirming that all issues were successfully resolved.

In 2024, Samsung reimbursed \$14,838 USD worth of recruitment fees to 41 migrant workers, as a result of these audits.

#### ***4.3.7 Special Audits to Eradicate Child Labour***

In addition to our on-site audit programme, we conduct special audits of suppliers to assess them for compliance with the Samsung Child Labour Prohibition Policy. We maintain zero tolerance for child labour in our suppliers and perform special audits of their recruitment practices every year to eliminate child labour.

Since 2015, we have hosted on an annual basis a range of compliance and human rights workshops and training sessions for the heads and working-level staff of our suppliers. In 2024, Samsung conducted a special audit to eradicate child labour. Audits on 133 first-tier suppliers and 32 second-tier suppliers during middle school and high school vacation periods were completed. None of the audited suppliers were found to have recruited child workers but six suppliers had deficiencies in their recruitment processes including a lack of facial recognition protocols for identification and insufficient student worker protection policies in contracts.

These suppliers have since taken measures to improve upon these deficiencies.

#### ***4.3.8 Third-Party Audit***

We conduct third-party audits annually on the top 90% of our suppliers who have been selected to be audited based on annual transaction amounts, and a part of additional high-risk suppliers. Initial audits are conducted by RBA-certified third-party audit firms, in accordance with Samsung's Supplier Code of Conduct and based on RBA criteria and processes. Any improvements that can be made immediately after initial audits are corrected on-site, and the implementation of improvements is confirmed through closure audits. The top 90% of suppliers selected based on annual transaction amounts are conducted every three-years, and among high-risk suppliers those with significant actual/potential impacts related to human rights, such as forced labor, are conducted immediately upon finding any related issues.

In 2024, Samsung conducted third-party audits for 90 first-tier suppliers and 33 second-tier suppliers. A total of 1,914 workers participated in employee interviews. To enhance transparency and encourage workers to express their opinions freely, off-site interviews were introduced for select suppliers starting in 2024. These off-site interviews were conducted with 29 workers from nine first-tier suppliers and 3 workers from two second-tier suppliers in countries including South Korea, Vietnam and Mexico. To address potential safety and security concerns associated with off-site meetings, interviews were held in locations near the workplace such as parks and coffee shops.

Suppliers understood the purpose of the external interviews and actively cooperated, while interviewed workers provided positive feedback on the new process. Some workers noted no significant difference compared to interviews conducted in designated spaces within company premises, while others expressed slight concerns about the impact on their working hours due to travel.

We will continue incorporating off-site worker interviews into third-party audits. If these interviews prove effective in identifying critical risks by capturing a broader range of worker perspectives compared to on-site interviews, we will consider expanding their targets to enhance further audit transparency.

#### ***4.3.9 Lower Tier Suppliers***

We require our first-tier suppliers to manage the work environment of their subcontractors in compliance with our internal work environment policy. For subcontractors with issues deemed to be of serious concern, we monitor via our first-

tier suppliers with whether they have successfully implemented remedial actions and achieved the desired results.

In addition, Samsung is expanding its management scope not only to first-tier suppliers but also to second-tier and non-manufacturing suppliers. In 2024, we updated the Supplier Code of Conduct, requiring first-tier suppliers to conduct due diligence on their sub-suppliers. This makes them responsible for any improvements through the implementation of RBA standards or standards provided by Samsung to the extent that it does not violate the laws of the relevant country. The third-party audits for sub suppliers continue to expand their target. When critical issues at sub suppliers are identified, we collaborate with first-tier suppliers to monitor the situation until corrective actions are completed. In addition, we have extended the existing hotline, originally available to first-tier suppliers, to second-tier suppliers to address grievances raised by their employees.

Near our Suwon business site in Korea, Samsung offers capacity building programs which are free of charge to our tier 1 as well as tier 2 suppliers which cover topics including supply chain due diligence. In 2024, Samsung conducted third-party audits for 33 second-tier suppliers in Asia, including in Vietnam – Samsung’s main production base.

#### ***4.3.10 Vendor Management***

SEAU has its own Vendor Code of Conduct (the “Code”) that is applicable to all vendors and suppliers. The Code is written into all vendor contract and is made mandatory. Vendors are required to abide by all applicable employment laws and human rights laws for their region and the use of any form of forced labour or child labour is strictly prohibited. Vendors are required to self-monitor their compliance with the Code and SEAU offers to vendors an online reporting mechanism for anyone who wishes to report a possible violation.

SEAU expects all vendors and their employees to take steps to help prevent, mitigate and remedy actual or suspected occurrences of forced or child labour within SEAU’s business operations and broader supply chains. Vendors are required to abide by all local labour laws and to self-monitor and report any suspected violations.

#### ***4.3.11 Responsible Minerals Management***

We strive to minimize any possible adverse impacts of mineral mining, including human rights abuses, child labour exploitation, sexual violence, and environmental destruction. We take human rights and environmental issues related to mineral mining in conflict-affected and high-risk areas, such as some African countries, very seriously. To address these risks we use responsible minerals in strict compliance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

To support our responsible minerals management system, we conduct investigations on the status of responsible minerals use and identify and remedy risk factors of our mass-produced materials suppliers. Samsung has previously provided training sessions to employees from 432 different suppliers on areas including on our conflict minerals policy, instructions on how to use the conflict minerals management system, and the process required to become an RMAP-certified smelter. Notably, we conducted additional training programs for suppliers that displayed vulnerabilities during our on-site assessments, aiming to support them in effectively addressing such gaps.

In 2024, Samsung conducted on-site inspections for 202 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.

All of our suppliers are obligated to fully comply with our responsible minerals policy. We only accept minerals supplied by smelters and refiners accredited with RMAP certification. As a result, we are able to screen out conflict minerals mined and sourced in an illegal manner from conflict-affected areas, such as the Democratic Republic of Congo, and only handle minerals supplied by internationally accredited smelters and refiners. In addition to conflict minerals, we also monitor high-risk minerals that raise concerns over environmental damage and human rights abuses to ensure more rigorous management of our supply chain. We continuously update the list of controversial minerals to readily respond to related issues together with our global counterparts.

We regularly disclose our responsible minerals management activities via our website and Sustainability Report and publish the Samsung Electronics Responsible Minerals Management Report and Smelter and Refiner List in Samsung Electronics' supply chain to more effectively respond to the diversifying needs of global stakeholders.

#### ***4.3.12 Grievances and Access to Remedy – Samsung suppliers***

Samsung supports its suppliers in establishing and operating an internal grievance handling system to facilitate communication between the executive management and employees. We have operated a direct hotline since 2013 to collect reports on violations of the work environment criteria or human rights by our suppliers via telephone and email, among others, to complement on-site audits. We have also operated an online whistleblowing channel for stakeholders including suppliers, called Cyber Sinmungo, which has been operational since 2010. We ensure the protection of informants' privacy throughout the entire grievance process so that employees at our suppliers can submit reports without fearing retaliation. Our organizational unit dedicated to grievance handling handles grievances in line with our internal protocol and timeline and monitors respective suppliers to ensure that they take remedial actions. Training and other measures are taken with the respective suppliers to support the prevention of reoccurrence. To monitor whether the reported grievances are being remedied effectively, we have carried out an informant satisfaction survey since 2020. The Grievance Channels are outlined on the Samsung Global website. In 2025, we plan to restructure the Cyber Sinmungo system for operational ease and speedy responses.

In 2024, all 190 grievances received were resolved.

If a child labourer is found at the workplace, the supplier is required to immediately stop the child from working and to notify Samsung. With regards to the child protection program, if a child and her/his family consent to the child attending school, the supplier is required to support educational fees and living expenses corresponding to the minimum wage until the child becomes the legal minimum working age in their respective country, and offer the child an opportunity to become re-employed after achieving the legal minimum working age.

If Samsung finds that suppliers are not in compliance with Samsung's Migrant Worker Policy, Samsung and the supplier will seek to take immediate steps to ensure compliance with the policy. In 2024, Samsung reimbursed \$14,838 in recruitment fees for 41 migrant workers, and trained 2,238 representatives from 1,355 different suppliers on responsible recruitment processes.

#### ***4.3.13 Stakeholder Engagement***

In support of our human rights due diligence process, we engage in global initiatives and partnerships to collaborate with industry partners, external stakeholders and peers on addressing supply chain risks including conflict and other minerals and to amplify the benefits of sustainable supply chains around the world. We also actively engage other companies and the relevant stakeholders in the industry to promote responsible sourcing of minerals through initiatives such as the Responsible Business Alliance (RBA), RBA Responsible Minerals Initiative (RMI), and the European Partnership for Responsible Minerals (EPRM).

#### ***4.3.14 Training and Development***

On an annual basis since 2015, we have hosted a range of workshops and training programs related to compliance management for the heads and working-level staff of our suppliers. We also provide human rights training on mutual respect, humane treatment of workers, and discrimination elimination based on the Supplier Code of Conduct, while also sharing global and local legal perspectives on regional human rights laws, audit results and best practices of our suppliers, and environment and safety-related trends of different regions.

We conduct training on the safe handling of chemicals and award suppliers with outstanding performance in labour/human rights and environment/safety. Samsung additionally provides support and training to our suppliers to assist with the practice of human rights management, such as recruitment, organizational culture, personnel management, and labour-management, DEI (diversity, equity, inclusiveness), and procedures for a collective agreement between labour and management to improve the working environment. We encourage participating suppliers to actively share the details of our training and provisions of the Supplier Code of Conduct with their subcontractors.

Further information on Samsung's human rights supply chain management including figures can be found in the global sustainability report available on the Samsung Global Sustainability website.

### **4.4 SEAU Domestic Efforts**

#### ***4.4.1 Domestic Due Diligence Efforts***

In addition to the actions taken by Samsung at global level, during 2024, SEAU:

- conducted an in-person site audit of SEAU's major offshore call centre providers;
- conducted a desktop audit of SEAU's key marketing and media agencies;
- reviewed the vendor onboarding process with the procurement team, to determine whether the process is still fit for purpose;
- completed modern slavery questionnaires for key customers; and
- continued to require new suppliers to complete SEAU's onboarding process, including questions regarding modern slavery.

To date, no instances of modern slavery were identified during our due diligence efforts. SEAU is looking to continue its 'on the ground' supplier due diligence measures as part of its 2025 modern slavery compliance program.

#### ***4.4.2 Domestic Engagement and Industry Collaboration***

SEAU continued its participation in the National Associated Retail Traders of Australia's (NARTA) inaugural Modern Slavery Initiative (Initiative), which is designed to support businesses in reviewing practices within their supply chain to deliver best-in-class ethical standards and meet reporting requirements under the Act. Among other things, this Initiative developed a streamlined modern slavery questionnaire for suppliers to complete.

## **5. Measurement and Performance Standards to Assess the Effectiveness of our Actions**

Samsung assesses the effectiveness of its actions in a variety of ways, including:

- monitoring the number of worksite grievances it receives for the purposes of publishing what it is doing in the annual Sustainability Report;
- in relation to our suppliers' progress on establishing and implementing their own internal grievance handling systems and our direct hotline to receive reports on suppliers' issues, tracking the status of corrective measures on the part of the supplier; and
- as reported in previous statements, Samsung conducts third-party supplier audits and monitors and reports performance against five established indicators: labour and human rights, health & safety, environment, ethics, and management systems.

## **6. Consultation**

Consultation with other reporting entities or entities within the meaning of the Act is not relevant as this Statement is not a joint statement and SEAU does not own or control any other entities.

## **7. Any other relevant information**

Globally, Samsung has complied with reporting requirements for modern slavery in other jurisdictions. Samsung Electronics (UK) Ltd has published six modern slavery statements under the UK Modern Slavery Act. Samsung Canada has also published two modern slavery statements under the Forced Labour and Child Labour Act.

SEAU has also shared knowledge and resources with Samsung Electronics (UK) Ltd during the reporting period.

## **Looking Ahead**

As SEAU strives to continuously improve its anti-modern slavery posture, SEAU intends on focusing on the following areas over the FY25 reporting period:

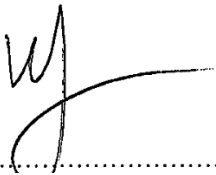
1. Conducting risk assessments of SEAU's key suppliers who we have identified as a potentially higher risk area, where we have leverage;
2. Reviewing SEAU's training and education materials to reflect regulatory developments (including the review of the Modern Slavery Act, and any guidance to be published by the newly-appointed Anti-Slavery Commissioner), and to enhance our staff's awareness on modern slavery risks;
3. Monitoring reforms to the Modern Slavery Act, to ensure that SEAU's anti-modern slavery activities are consistent with reformed legislative requirements; and
4. Implementing and embedding the Global Grievance Resolution Policy.



## 8. Board approval and signing

Samsung employees, are responsible for maintaining high ethical standards and conducting business with integrity. Samsung's employees are ambassadors of our brand and we seek to ensure that Samsung's standards of corporate social responsibility, integrity and accountability are upheld by everyone in the global supply chain. This Statement, our fifth, continues to reaffirm our commitment to respecting and protecting the human rights of all people, and ensuring that these values are at the core of our labour practices and business operations. Further information on our labour and human rights practices can be found on [samsung.com/au/](https://samsung.com/au/).

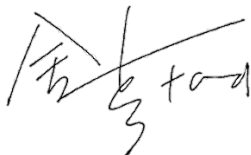
This Statement was approved by the Board of Samsung Electronics Australia Pty Ltd on 30 June 2025. It complies with the mandatory requirements set out in section 16 of the *Modern Slavery Act 2018* (Cth).



**Mr. Changhun Choi**

President SEAU & CE Division Samsung  
Electronics Australia Pty Ltd

30 June 2025



**Mr. Hyung Il Kim**

Director & Chief Financial Officer  
Samsung Electronics Australia Pty Ltd

30 June 2025