

Samsung Electronics (UK)
Ltd Modern Slavery Act
Statement 2023

Contents

INTRODUCTION	2
KEY ACTIVITIES 2023	2
ORGANISATIONAL STRUCTURE – BUSINESS AND SUPPLY CHAIN	3
HUMAN RIGHTS AND LABOUR POLICIES	3
SAMSUNG ELECTRONICS GLOBAL HUMAN RIGHTS POLICY	4
GLOBAL CODE OF CONDUCT	5
BUSINESS CONDUCT GUIDELINES	5
GLOBAL PURCHASING CODE OF CONDUCT	5
SUPPLIER CODE OF CONDUCT AND SUPPLIER CODE OF CONDUCT GUIDE	5
GLOBAL GRIEVANCE RESOLUTION POLICY	6
CHILD LABOUR PROHIBITION POLICY	6
ANTI-DISCRIMINATION AND ANTI-HARASSMENT POLICY	6
MIGRANT WORKER POLICY	7
LABOUR AND HUMAN RIGHTS FRAMEWORK	7
HUMAN RIGHTS GOVERNANCE STRUCTURE	7
TRANSPARENCY AND REPORTING	8
STAKEHOLDER ENGAGEMENT	8
SALIENT HUMAN RIGHTS RISK ASSESSMENT AND MANAGEMENT	8
HUMAN RIGHTS DUE DILIGENCE AND MEASURES UNDERTAKEN IN OUR OWN ENTITIES AND SUBSIDIARIES	9
1. <i>Policies and Standards</i>	9
2. <i>Human Rights Due Diligence</i>	9
3. <i>Access to Remedy</i>	12
<i>At a local level, SEUK operates an established whistleblowing programme and an established grievance procedure for all colleagues. Clear policies are made available to all colleagues which explain how to whistleblow or how to raise a grievance. Grievances are heard by independent senior colleagues responsible for separate areas of the business. Whistleblowing reports are received by SEUK’s compliance team which reviews them and takes appropriate action. There were no Grievances or Whistleblowing reports in 2023 related to slavery, forced labour or related issues.</i>	12
4. <i>Stakeholder Engagement</i>	13
5. <i>Training and Development</i>	13
HUMAN RIGHTS DUE DILIGENCE AND MEASURES UNDERTAKEN FOR BUSINESS RELATIONS AND SUPPLIERS	15
1. <i>Policies and Standards</i>	15
2. <i>Human Rights Due Diligence</i>	15
3. <i>Access to Remedy</i>	18
4. <i>Stakeholder Engagement</i>	18
5. <i>Training and Development</i>	19
MANAGEMENT APPROVAL	19

Introduction

Samsung sets 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:

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 social responsible corporate citizen,

serve as the embodiment of our determination to operate and hold ourselves to the highest standards of complying with laws and our company principles and values.

Samsung Electronics (UK) Ltd (SEUK) supports and practises the requirements of the [UK Modern Slavery Act](#) to eliminate slavery, servitude, and forced or compulsory labour including human trafficking, to address risks and to remedy adverse harm that has occurred to victims of modern slavery and human rights violations within the parameters of our business operations and relationships.

Samsung recognizes the risk of forced labour, especially in the lower tiers of its supply chain. We prohibit any form of forced labour and expect our direct and indirect business partners to share our commitment to conduct thorough due diligence to address these risks. 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.

This modern slavery statement aims to meet the requirements of the UK Modern Slavery Act through outlining the existing governance and procedures as well as new steps and policies that we have developed in the last financial year to mitigate against slavery and human trafficking throughout our organisational footprint. This statement forms our seventh since our first modern slavery statement in 2016.

SEUK is a subsidiary of the global electronics manufacturer, Samsung Electronics Co., Ltd. which is headquartered in Korea. Unless specified, references in this statement to "Samsung", "our", "us", or "we" refer to Samsung Electronics Co., Ltd. and its subsidiaries.

Key Activities 2023

- Samsung developed new Global Human Rights Principles (the "Global Human Rights Policy") published in 2023 outlining Samsung's global human rights salient risks which include forced and child labour, particularly on supply chain level.
- Samsung resumed special audits of forced labour for migrant workers in its supply chain, which audits had been temporarily suspended due to COVID-19.

- Samsung organised a global human and labour rights workshop with international organisations, NGOs, trade unions and business associations to discuss its work on human rights and its due diligence approach.
- Samsung Electronics Malaysia held a compliance conference, inviting the local government, international organizations specializing in migration, and suppliers to present the results of key supplier inspections and the company's activities to protect the rights of migrant workers, including the main issues found in the employment situation of migrant workers in the country.
- Samsung Electronics Poland attended a conference organized by a local labour rights NGO to introduce the company's community integration activities for foreign migrant workers and to learn from other companies.
- Developed and delivered general human rights training to Samsung employees with forced labour elements, expanded Responsible Recruitment Procedure training to suppliers in more countries.

Organisational Structure – Business and Supply Chain

Samsung's operations include 232 operational facilities in 74 countries worldwide, including 32 production sites and a workforce totalling 267,860 employees. In 2022, Samsung invested KRW 28.3 Trillion in research and development.

Supporting our success as a global leader in the manufacture of electronic products, Samsung is reliant on a network of 2,515 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.

During the financial year ending 31 December 2023, SEUK's principal activities were: importer, distributor and lessor of electronic and electrical goods; the purchase and sale of components and capital equipment; the provision of research and development services to Samsung Electronics Co., Ltd.; importer and distributor of telecommunication systems; and European Head Office. These operations were UK based with the exception of a branch office in Ireland. SEUK employs more than 1000 members of staff, the majority based at our UK and European headquarters in Chertsey, Surrey. Our turnover for 2023 was £3.5bn.

Human Rights and Labour Policies

Samsung is committed to respecting the human rights and freedom of all. We strive to comply with the following international standards in addition to, as a minimum, 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.

Samsung is 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 a set of our own policies, guidelines, and principles.

Our key global policies are located at [Policies & Documents | Digital Library | Sustainability | Samsung Electronics](#) and include the following:

Our key policies located on this webpage include:

- Samsung Electronics Global Human Rights Policy
- Samsung Global Code of Conduct
- 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
- Guidelines for Apprenticeship in India

The section below provides a brief summary of our key policies.

[Samsung Electronics Global Human Rights Policy](#)

In February 2023, we announced our Global Human Rights Policy that highlights our respect for human rights in line with the UN Guiding Principles on Business and Human Rights (UNGPs). The Global Human Rights Policy consolidates all of the commitments made in our existing policies and reaffirm 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. Forced and child labour are one of the salient human rights risks identified by Samsung for its supply chain. In the document, we point out further commitments that expand the scope of our commitment to human rights, which now 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 Global Human Rights Policy](#) can be viewed online.

[Global Code of Conduct](#)

Our [Global Code of Conduct](#) and Business Conduct Guidelines are the overarching standards for all Samsung Electronics 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 business principles and what these mean specifically to Samsung and its employees. It 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 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.

[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.

[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.

[Supplier Code of Conduct and Supplier Code of Conduct Guide](#)

Samsung ensures that its suppliers support and protect internationally proclaimed human rights and respect the dignity and diversity of individuals and their fundamental rights. To achieve this requires management policies and systems to mitigate human rights violations and build effective labour-management relations based on mutual trust and successful communication. We update our [Supplier Code of Conduct](#) to reflect revisions of the RBA Code of

Conduct and other global norms and require our suppliers to do the same. The [Supplier Code of Conduct](#) and the [Supplier Code of Conduct Guide](#) are mandatory commitments built into all contracts with Samsung's suppliers involved in the supply chain for Samsung's products.

[Global Grievance Resolution Policy](#)

Samsung is committed to providing access to remedy to the affected individuals or groups via our grievance channels where the company causes or contributes to negative impacts on the rights of individuals or groups. The company's grievance channels are available to all employees of Samsung, all partners in our value chain, consumers, civil society, and everyone else who has legitimate concerns regarding actual or potential adverse impacts caused or contributed 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, outlines Samsung's grievance handling procedure, principles of grievance handling as well as how Samsung is ensuring its implementation and effectiveness in line with the UNGP effectiveness criteria.

[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.

[Anti-Discrimination and Anti-Harassment Policy](#)

Samsung respects all individuals' right to work in an environment free of discrimination and bullying. In March 2022, Samsung developed our already existing anti-harassment guidelines into a formal policy, and published the [Anti-Discrimination and Anti-Harassment Policy](#). The 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.

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. 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](#) was first released in 2016 and updated in 2020 to better protect 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 labour indicators](#) and faithfully implement our Global Human Rights Policy and Guide.

Other human rights policies and guidelines currently supporting operations at Samsung which require specific management measures, include our [Student Labour Policy for China](#), and [Guidelines for Apprenticeship in India](#).

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. In line with the UNGPs and OECD guidelines we are committed to prevent, mitigate, and address adverse human rights impacts and to provide timely and effective access to remedy 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.



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 centred on the Board of Directors, Sustainability Committee, Sustainability Council, and the Labour 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 under the Board of Directors supports the Board by closely monitoring relevant issues. The Committee determines priorities for sustainability strategies and incorporates human rights and other sustainability issues 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 Labour and Human Rights Council has been set up to enable cross-functional engagement; it consists of the People Team, Partner Collaboration Centre, Vendor Management Task Force, Global Technology Research, Global EHS Office, Corporate Legal Office, Compliance Team, Investor Relations Team, and Corporate Sustainability Centre. 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.

Transparency and Reporting

We disclose our activities to respect 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 Norwegian Transparency Act, Australian Modern Slavery Act, and Canadian Forced and Child Labour Act Report, and fulfil the evaluation criteria of the Corporate Human Rights Benchmark – assessing human rights management levels of global companies – and KnowTheChain – helping 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 in 2023. We ranked 5th for our effort to address forced labour in our own business and supply chain within the KnowTheChain ICT benchmark. We maintained our no. 1st ranking in the Global Child Forum Benchmark (electronics B2C sector) for the third year in a row.

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.

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 disclosed our salient

human rights risks in February 2023 as a part of the launch of the Global Human Rights Policy. 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. Centred on these risks, we prioritise our efforts and determine activities to prevent, mitigate, and address human rights impacts.

The below sections provide a summary of these risks and actions.

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

1. Policies and Standards

Samsung adheres to the principles put forward in its own [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 a signatory of the [UN Global Compact](#), one of the world's largest corporate sustainability initiative, and adhere to its [ten principles](#).

We have a range of human rights policies in place, which reflects our top management's commitment to fulfilling our responsibility to respect and support internationally recognised human rights standards and set forward expectations for our own employees and business partners. Apart from topic-specific policies, the [Global Human Rights Policy](#) outlines Samsung's commitment to respect human rights and international standards across its business operations.

In 2021, as part of domestic efforts to eradicate forced labour and end modern slavery, SEUK also developed its Anti-Modern Slavery Policy. This policy was designed to:

- educate colleagues on modern slavery;
- inform colleagues of their responsibilities and how to raise any concerns;
- highlight the requirements of the Modern Slavery Act 2015;
- describe the actions that SEUK is taking to mitigate the risk of modern slavery within its supply chains.

2. Human Rights Due Diligence

In line with the UNGPs, we work proactively to identify, prevent, and mitigate actual and potential adverse human rights risks impacts across all aspects of our business operations. Our due diligence includes engagement with various right-holders and stakeholders. We reflect 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.

We identify actual and potential human rights risks through diverse channels: internal audits by in-house experts, assessments of specific human rights areas by regional employee relations experts, human rights risk analysis and human rights impact assessments by third-party human rights experts, reports of intergovernmental organisations and civil society organisations on geopolitical situations and the human rights landscape, media reports, third-party audits based on the RBA protocols, grievances and complaints filed by our employees and other right-holders, and dialogues with human rights experts and external stakeholders including, but not limited to, customers, investors, and industry associations.

i. *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 analyse 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, in February 2023, we selected 11 major human rights impacts of Samsung and disclosed them through the [Samsung Electronics Global Policy](#).

ii. *Assessment by Internal Experts*

Based on the Labour 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.

a) *Labour and Human Rights Management*

In 2023, we upgraded the monitoring system we created in 2013 to support labour rights compliance and compliance management at our workplaces to the Business & Human Rights Benchmark (BHRB) System. This system assesses each workplace's compliance with international human rights standards such as the International Labour 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. The company evaluates the level of each workplace annually and conducts a simplified human rights impact assessment for workplaces that need improvement.

b) *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. In 2023, we conducted a Simplified Human Rights Impact Assessment for our U.S. manufacturing operations in our Device Experience (DX) division. Samsung also engaged with The Centre, 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.

c) Top 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 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.

iii. *Third-party Human Rights Impacts Assessments and Human Rights Impact Analysis*

Human Rights Impact Assessment (HRIA) analyses the impact of business activities on rights-holders such as employees, supply chain workers, local community members, consumers and others. HRIAs typically involve more in-depth consultation with affected stakeholders than other forms of human rights assessment.

Human rights risk analysis (HRRRA) 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 first conducted a human rights impact assessment at its Vietnam operations location in 2017, and conducted a human rights impact analysis in Turkey prior to opening a production facility in 2022.

iv. *RBA Validated Assessment Program (Third Party Validation)*

As a member of the Responsible Business Alliance (RBA), Samsung is committed to complying with the RBA Code of Conduct. We conduct RBA self-assessments at our production sites every year, and conduct on-site audits based on the RBA's third-party audit Validated Assessment Programme (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 develop a corrective 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 RBA standards. RBA third-party audit results in 2023

- DX Division: 11 facilities audited
- DS Division: 4 facilities audited

Nine out of fifteen worksites were awarded a perfect score with no non-compliances. Six plants were partially non-compliant in labour, health and safety, ethics, and supply chain. 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 to the VAP criteria.

3. Access to Remedy

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 that are promptly investigated in line with our internal procedure and timelines to seek effective and satisfactory remedies. Upon detecting 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 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.

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 are properly remedied and receive feedback through post-consulting satisfaction surveys.

In 2023, Samsung received a total of 20,577 reports, of which 99.9% were addressed, closed or remediated as of the end of December 2023. We also promote external stakeholders' grievance communication channels. We operate a global communication address (civilsociety@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.

At a local level, SEUK operates an established whistleblowing programme and an established grievance procedure for all colleagues. Clear policies are made available to all colleagues which explain how to whistleblow or how to raise a grievance. Grievances are heard by independent senior colleagues responsible for separate areas of the business. Whistleblowing reports are received by SEUK's compliance team which reviews them and takes appropriate action. There were no Grievances or Whistleblowing reports in 2023 related to slavery, forced labour or related issues.

4. Stakeholder Engagement

Stakeholder engagement is one of the core pillars of Samsung's Labour and Human Rights Framework and an important element of our human rights due diligence process. Different forms of our stakeholder engagement range from informal dialogue to strategic partnerships. Our stakeholders include our employees including informal engagements and more formal ones via trade unions and work councils, business associations and industry initiatives such as the Responsible Business Alliance (RBA), civil society organisations, international organisations such as the United Nations, benchmarking agencies, human rights experts and consultancies, customers, suppliers, investors, and governments, among others.

5. Training and Development

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 every year a range of different labour and human rights trainings tailored to different target groups. Those include trainings to HR professionals and 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 organisation, ranging from a global Human Rights Champion network of more than 50 professionals to drive human rights awareness and activities within the organisation to a global network of 150 HR Diversity & Inclusion Managers driving local buy-in, initiatives, projects and engagement.

In line with the launch of the Global Human Rights Policy in February 2023, SEUK also published its own Human Rights Policy in March 2023. The policy refers to SEUK's employee handbook, anti-modern slavery policy, and whistleblowing policy and adherence of SEUK employees to these policies. It also appends the Global Human Rights Policy demonstrating SEUK's alignment with these.

In 2023, SEUK participated in Global Human Rights training which was mandatory for all SEUK employees. The training, delivered online, outlined what constitutes modern slavery labour, the risks and impacts of human rights violations and Samsung's due diligence process and activities. Globally, Samsung achieved a 95.5% completion rate for the Global Human Rights training while SEUK had a 90% completion rate.

i. Modern Slavery and Ethical Recruitment

In October 2023, our subsidiary in Malaysia invited the International Organization for Migration (IOM) to provide training to 56 personnel managers from 41 first-tier suppliers to eradicate forced labour for migrant workers. This training has improved awareness of the protection of migrant workers' labour rights by providing guides such as potential forced labour risks at each recruitment stage, types of forced labour and precautions for recruitment agency contracts.

From 2019 to 2021, we organised workshops for the executive management and HR staff of our production sites and suppliers employing migrant workers and recruitment agencies, with the International Organisation for Migration (IOM), to raise awareness on the importance of the

protection of migrant workers' rights within our supply chains. We also provided access to our in-house counselling services for migrant workers who were experiencing difficulties in the wake of the pandemic.

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 2022, we performed our own on-site audits on four production sites staffed by migrant workers to verify their compliance with the Global Human Rights Policy and Guidelines. These audits were based on the RBA methodology centring 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 such as employees from Ukraine 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 Global Human Rights Policy and Guides. However, it was discovered that 307 migrant workers hired by one of the four production sites had paid for part of the transportation expenses incurred while moving from their homes to the location to meet with the recruitment agency in their home country. The amounts paid by the workers (approximately USD 9,876¹ in total) were reimbursed after the audit.

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. The four production sites developed corrective actions for minor non-compliance with the Internal Guide for Migrant Worker. Local employee relations experts are monitoring the follow-up steps taken by the sites. Through the audits, we confirmed that the total amount of outstanding reimbursements decreased by 88.6% since the introduction of the revised Migrant Worker Policy in 2020 compared to the 3-year period of 2017 to 2019.

In 2023, Samsung reimbursed USD 136 in recruitment fees for three migrant workers.

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.

¹ Figures are based on average currency exchange rate in 2022.

Human Rights Due Diligence and Measures Undertaken for Business Relations and Suppliers

1. Policies and Standards

Complementing the Global Human Rights 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.

2. Human Rights Due Diligence

i. First Tier Suppliers

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

Samsung implemented and now operates an ESG reward program in 2023, where suppliers who have been determined to have performed well in the field are provided incentives such as cash rewards. We perform comprehensive annual evaluations on our suppliers based on transaction 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.

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 (SA 8000, etc.) by including it as one of the self-assessment items. We actively collect suppliers' opinions and

suggestions to establish a more effective self-assessment system and to reflect improvements in the next assessment.

On-Site Audit

Our dedicated organisational unit conducts on-site audits on our suppliers. To more thoroughly and accurately audit their work environments, we first identify their issues and points of improvement based on document views and the interviews of employees on both working-level staff and managers in the audits. The points of improvement are registered on the integrated purchase system, and the respective suppliers are required to establish and implement improvement measures accordingly. Some problems are remedied immediately, while the implementation of remedial action for other problems is verified within three months from the registration of the points of improvement. Facility installation, certification, and other matters that require an extended period of time and significant expenses to be resolved are monitored over a longer term based on the respective supplier's improvement plan.

Special Audits to Eliminate Forced Labour

In 2023, Samsung resumed special audits of forced labour for migrant workers, which had been temporarily suspended due to COVID-19. We conducted audits on 21 suppliers in three countries in Southeast Asia and Europe, including Malaysia, Hungary, and Slovakia, which employ many migrant workers.

Referring to SVAP, an RBA forced labour-specialised program, Samsung made its own checklist and 22 items were checked, including on-site audit of recruitment agencies, holding contracts for recruitment agencies by first-tier suppliers, refunding recruitment fees, providing contracts and salary statements written in local languages, conducting introductory education before departure from home, rescuing victims and holding records.

As a result of reviewing contracts with recruitment agencies, it was found that the suppliers are hiring migrant workers in the organization using 32 agencies in 10 countries. The initial average compliance rate of all 21 suppliers was 94%, but one case of imposing fees on migrant workers was found in a supplier located in Malaysia. In addition, a total of 30 violations were confirmed, including no due diligence by recruitment agencies, no contract with recruitment agencies, no evidence of introductory education before departure.

By managing the improvement status on a monthly basis in cooperation with local subsidiaries, we received confirmation that all issues were successfully resolved. In 2024, we plan to continue to improve the human rights of migrant workers by expanding the target countries to five countries.

Third-Party Audit

We conduct third-party audits every three years on the top 90% of our suppliers selected based on annual transaction amounts.

In 2023, we introduced third-party verification for some tier 2 suppliers in Asia to diagnose more objectively working conditions. Furthermore, we expanded the scope of the Supplier Code

of Conduct from manufacturing suppliers to all suppliers that provide products and services to Samsung Electronics.

ii. Lower Tier Suppliers

We require our first-tier suppliers to manage the work environments 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 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. By revising the Supplier Code of Conduct, first-tier suppliers are required to conduct due diligence and manage improvement measures of subcontractors by referring to RBA regulations and standards provided by Samsung.

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.

Last year, Samsung introduced third-party audit for 9 second-tier suppliers in Asia, including Vietnam, Samsung's main production base in 2023.

iii. Vendor Management

SEUK continues to strengthen its vendor risk management as part of our comprehensive due diligence to abolish modern slavery from our supply chain. In addition to focusing on vendors in high risk sectors, we utilise a random selection process to assess suppliers across a broader spectrum. This method has expanded our oversight of our vendors. Although many suppliers are not mandated to report under the 2015 Modern Slavery Act, a notable number voluntarily provide statements. For those without publicly available statements, we conduct independent inquiries. Those vendors that are required to have a modern slavery statement, but do not publicly display it, undergo further investigation through our third party due diligence screening systems.

In 2023, we identified no non-compliance with the UK Modern Slavery Act. All vendors that were legally required to have a modern slavery statement, had so publicly available.

iv. Responsible Minerals Management

We strive to minimise 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.

All of our suppliers (in our products supply chain) 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 DR 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.

3. Access to Remedy

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. Our organisational 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. To monitor whether the reported grievances are being remedied effectively, we have been carrying out informant satisfaction surveys since 2020. The Grievance Channels are outlined on the Samsung Global website.

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 2023, Samsung reimbursed USD 81,549 in recruitment fees for 247 migrant workers, and trained 568 representatives from 358 different suppliers on responsible recruitment processes.

SEUK expects all colleagues to take steps to help prevent, mitigate and remedy actual or suspected occurrences of modern slavery within SEUK's business operations and broader supply chains, in accordance with SEUK's Anti-Modern Slavery Policy.

4. 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).

5. Training and Development

Since 2015, we have hosted, on an annual basis, 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, and discrimination elimination based on the Supplier Code of Conduct, whilst also sharing global and local legal revisions to regional human rights laws, audit results and best practices of our suppliers.

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.

Management Approval

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 annual modern slavery statement, our seventh, continues to reaffirm our commitment to respecting and protecting the human rights of all people, and that these values are at the core of our labour practices.

This Statement was approved by the Board of SEUK on 28th June 2024. It complies with the requirements set out in section 54 of the UK Modern Slavery Act 2015 (the "Act").

Full name: Mr. Sooman Park

Title: Director

Date: 28th June 2024

Signature: _____

