

Samsung Electronics Australia Pty Ltd
Modern Slavery Act Statement 2023

Compliance with mandatory criteria / Signing & approval requirements

#	Mandatory criteria <i>Modern Slavery Act 2018 (Cth), s 16(1)</i>	Page reference	Section references
1.	Identify the reporting entity.	2	Introduction
2.	Describe the structure, operations and supply chains of the reporting entity.	3-4	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.	4-5	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.	5-18	Actions taken to assess and address modern slavery risks
5.	Describe how the reporting entity assesses the effectiveness of such actions.	19	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.	19	Consultation
7.	Include any other information that the reporting entity, or the entity giving the statement, considers relevant.	19	Other relevant information
#	Signing and approval requirements <i>Modern Slavery Act 2018 (Cth), s 13(2)</i>	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.	20	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 the highest 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**) fourth 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.

This Statement, for the financial year 1 January 2023 to 31 December 2023, (being the "**reporting period**" for the purposes of the Act and also referred to as "**2023**" 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 abuses of a person's labour and human rights. This Statement will be filed 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 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.

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.

Key Activities – 2023

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.

- Published our Global Human Rights Principles (policy) outlining Samsung's global human rights salient risks which include forced and child labour, particularly on a supply chain level.
- Resumed special audits of forced labour for migrant workers in its supply chain, which audits had been temporarily suspended due to COVID-19.
- 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 labor rights NGO to introduce the company's community integration activities for foreign migrant workers and to learn from other companies.
- Continued to deliver general human rights training to Samsung employees.

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

- lodged its third annual Modern Slavery Statement covering the 2022 calendar year;
- continued to learn and 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 our local Anti-Modern Slavery Policy, as well as SEAU's broader modern slavery compliance program, to staff;
- conducted a desktop audit of our key logistics provider and call centre suppliers;
- our audit of these suppliers also included issuing Samsung's modern slavery supplier self-assessment questionnaire;
- 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, which was introduced in 2020.

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 267,860 employees. In 2023, 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.

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 2023, SEAU's principal activities as part of its operation were: as importer, distributor and retailer of consumer electronics and electrical goods, the marketing of 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 2023, SEAU had a workforce of approximately 642 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 2023 was approximately AU\$3.5 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 t, which considered the modern slavery risk indicators set out in the *Commonwealth Modern Slavery Act 2018 - Guidance for Reporting Entities (Commonwealth Guidance)*, SEAU 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 Electronics Co., Ltd. corporate 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 and other 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;
- our materiality assessment which identifies and prioritizes key sustainability issues material to our business, transparently disclosing the processes and results (which includes a Double Materiality Assessment);
- resumed on-site special audits for forced labour for migrant workers in our supply chains

and 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.

At the local level, we have continued to build on our initial company-wide review of its 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.

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 in the Samsung Electronics Co., Ltd. corporate 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.

Human Rights and Labour Policies

Samsung is committed to respecting the human rights and freedom of all. We strive to comply 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 & Document webpage](#). Our key policies located on this webpage include:

- Samsung Global Code of Conduct;
- Business Conduct Guidelines;
- Global Purchasing Code of Conduct;
- Samsung Supplier Code of Conduct and Supplier Code of Conduct Guide;
- Samsung Electronics Global Human Rights Principles (policy) (2023);
- Child Labour Prohibition Policy;
- Anti-Discrimination and Harassment Policy;
- Migrant Worker Policy;
- Student Worker Policy in China; and
- Guidelines for Apprenticeship in India.

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

Samsung Electronics Global Human Rights Principles (policy)

In February 2023, we announced our Global Human Rights Principles (the Policy) that highlight 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 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. 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 new policy does 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 [Samsung Electronics Global Human Rights Principles](#) 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 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.

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. 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 help suppliers more effectively and easily follow the Supplier Code of Conduct and practice compliance management.

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 2018, we established the Anti-Harassment Guidelines in association with Business for Social Responsibility (BSR). In 2021, we supplemented the anti-discrimination principles specified in these guidelines and in March 2022, realigned them into a formal policy, the [Anti-Discrimination and Anti-Harassment Policy](#). This 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. 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](#) was first released in 2016 and was 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 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.

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 the Company.

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 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 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 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.

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, United Kingdom Modern Slavery Act, and Australian Modern Slavery Act and to 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 our Global Human Rights Principles (the 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. Taking these risks into account, 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

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.

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.

Samsung's Salient Human Rights Impact

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, in February 2023, we selected 11 major human rights impacts of Samsung and disclosed them through the [Samsung Electronics Global Human Rights Principles](#).

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.

Labor and Human Rights Risk Management System

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 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. The company evaluates the level of each workplace annually and conducts a simplified human rights impact assessment for workplaces that need improvement.

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 Center, 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.

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 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.

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 first conducted a human rights impact assessment at its Vietnam operations location in 2017, and conducted a human rights impact analysis in Türkiye prior to opening a production facility in 2022.

Labor Rights Risk Management System

In 2023, we upgraded the monitoring system we had developed in 2013 to the Business & Human Rights Benchmark (BHRB) System, which assesses each workplace's compliance with international human rights standards such as the International Labor Organization Declaration Fundamental Principles Rights at Work and the UN Guiding Principles Business and Human Rights (UNGPs). BHRB consists of 159 detailed indicators in 39 items under four categories: labor rights, organizational culture, working environment, and diversity, equity, and inclusion. The company assesses each business site's conditions and conducts a simplified human rights impact assessment for workplaces in need of improvement.

RBA Third Party Validation (Validated Assessment Program)

As a member of 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 develop a corrective action plans 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 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.

Access to Remedy

Samsung Electronics 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.

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.

Whistleblowers can report grievances anonymously, and the company maintains the confidentiality of the receipt of the grievance and the content of the grievance, and protects the data involved and the privacy of the individuals involved. Samsung's grievance mechanism is 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.

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.

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.

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. 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 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 2023 Sustainability Report (downloadable from our website (<https://www.samsung.com/global/sustainability/>)).

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.

In 2023, approximately 50 human rights champions, who are from human resources, labor relations, compliance and training serve as human rights trainers in their respective subsidiaries, received comprehensive training from global human rights experts on Samsung Electronics new Global Human Rights Principles and Practice Guide of Global Human Rights Principles, as well as stakeholder communications and engagements.

In 2023, 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 89.7% while globally, Samsung achieved a 95.5% completion rate for the Global Human Rights training.

Aligning with international calls to strengthen human rights due diligence in the downstream supply chain, Samsung offered training for due diligence managers from five EU sales subsidiaries in 2023. 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 covers how we conduct human rights due diligence and case studies on human rights violation related to sales in the electronics industry.

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 labor for migrant workers. This training has improved awareness of the protection of migrant workers' labor rights by providing guides such as potential forced labor risks at each recruitment stage, types of forced labor and precautions for recruitment agency contracts.

From 2019 to 2021, Samsung has 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. We also provided access to our in-house counseling 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 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, it was discovered that 307 migrant workers hired by one of the four production sites in Hungary 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 9,876*1 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 noncompliance with the Internal Guide for Migrant Workers. 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.¹

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](#).

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

Policies and Standards

Complementing Samsung's Global Human Rights Principles (policy) and other human rights related policies, Samsung requests 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.

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 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.

In 2023, Samsung implemented and now operates an ESG reward program, where suppliers who have been determined to have performed well in the field are provided incentives such as cash and 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.

¹ Figures were based on average currency exchange rate in 2022: USD 1 = 299.25 HUF

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 accordingly 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-specialized 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 who have been selected to be audited based on annual transaction amounts. An RBA-certified third-party audit institution performs customer- managed initial audits based on the RBA-validated assessment program. Immediate remedies are taken for improvement points that can be corrected on site, and improvement implementation results are reviewed through closure audits.

In 2023, we introduced third-party verification for tier 2 suppliers 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.

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. 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 2023, Samsung introduced third-party audits for 9 second-tier suppliers, including Vietnam, Samsung's main production base.

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. In 2023, in a bid to strengthen awareness among our suppliers, Samsung provided training sessions to a total of 470 employees representing 432 different suppliers. These sessions covered various areas, such as 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. 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 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.

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. 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.

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 \$81,549 in recruitment fees for 247 migrant workers, and trained 568 representatives from 358 different suppliers on responsible recruitment processes.

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).

Training and Development

Since 2015, we have hosted a range of workshops and training programs related to compliance management every year 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, while also sharing global and local legal revisions, 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.

SEAU Domestic Efforts

Domestic Due Diligence Efforts

In addition to the actions taken by Samsung at global level, during 2023 SEAU's domestic efforts during the reporting period included auditing its key logistics provider and call centre, which were flagged as high risk in our initial risk assessment taking a prioritised risk-based approach. Our audit included a desktop audit and issuing modern slavery questionnaires to high risk suppliers to gain an accurate understanding of the suppliers' risks. 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 2024 modern slavery compliance program.

In addition to the above work in relation to existing suppliers, SEAU completed modern slavery questionnaires from key customers across a range of industries, including consumer electronics, hardware and banking.

For its part, in 2023 SEAU continued to expand its modern slavery training as part of its annual training program for all staff(including senior management).

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. The Initiative received favourable press in industry publications, including at: <https://www.applianceretailer.com.au/nartas-modern-slavery-initiative-receives-strong-support-from-members/> and <https://www.channelnews.com.au/narta-launches-initiative-against-modern-slavery/>.

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. Audit results found that our suppliers' compliance rate in 2023 was similar to that of 2022 and that efforts to improve the working environment were well in progress.

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 five modern slavery statements under the UK Modern Slavery Act. Samsung Canada has also published its first modern slavery statement 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 FY24 reporting periods:

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 recent regulatory developments

and enhance our staff's awareness on modern slavery risks; and

3. Implementing Samsung's new [Global Human Rights Principles](#) (policy) and newly developed Global Grievance Resolution Policy into SEAU's business.

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. This annual modern slavery statement, our second, 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. Further information on our labour and human rights practices can be found on [Samsung.com](https://www.samsung.com).

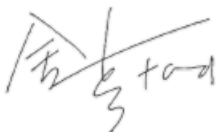
This Statement was approved by the Board of Samsung Electronics Australia Pty Ltd on 27 June 2024. It complies with the mandatory requirements set out in section 16 of the Modern Slavery Act 2018 (Cth).



Mr. Wonhee Kim

President SEAU & CE Division Samsung
Electronics Australia Pty Ltd

27 June 2024



Mr. Hyung Il Kim

Director & Chief Financial Officer
Samsung Electronics Australia Pty Ltd

27 June 2024