

Summary of Audits and Corrective Action

by Samsung Electronics

The following data summarizes the results of third-party audits conducted between 2023 and 2025. Each reporting year is defined as the period from January 1 to December 31 of the respective calendar year. This report will be updated by August 1st every year.

Please note that the result reflects the audit outcomes of suppliers within the following divisions

- Mobile eXperience Division (including smartphones, personal computers, and related products)
- Visual Display Division (including displays, televisions, signages, and associated products).

The process for selecting prioritized supplier facilities

Samsung Electronics (“Samsung”) determines prioritized suppliers through multiple criteria, which aligns with the risk categories defined in Annex C of the EPEAT Responsible Supply Chains Criteria 2025, including but not limited to

- geopolitical risks such as
 - countries with policies that reinforce corruption or repression,
 - countries with identified cases of human trafficking and/or no specific regulations to prevent trafficking
- supplier specific risks such as
 - unresolved 'Priority' non-conformance in the previous audit,
 - unresolved allegation from media or worker representation,
 - ties to manufacturing products made with forced labor as identified on internationally respected global lists developed by national and/or regional governments,
 - the purchasing amount,
 - the sales dependency on Samsung,
 - Samsung’s ranking among customers

Samsung selects prioritized suppliers once every year. The list may be changed throughout the year due to transaction termination or additional allegation with sufficient evidence.

- A supplier is identified as prioritized if it meets the following criteria
 - it has the most significant non-conformance in its previous audits or Self-Assessment Questionnaire
 - it has been subjected to unresolved allegations from external stakeholder that may greatly impact Samsung's supply chain if found to be true

Number of Audits conducted for the past 3 years

Between January 1 and December 2025, Samsung conducted audits on 59 suppliers focused on labor right and EHS at each of the suppliers' facilities. The audits cover all Samsung Electronics' identified EPEAT Prioritized Supplier as well as suppliers chosen from other categories such as purchasing amount.

As of now, more than 95% of EPEAT-registered products are manufactured by Samsung's own facilities. The remaining production is supported by external supplier facilities under the current supply chain structure. Samsung applies its supplier prioritization process to these supplier facilities, and all the prioritized suppliers identified within the scope of this report are categorized as component suppliers under the production spend categories defined in EPEAT 7.1.4. Based on the current supplier prioritization process, no contract manufacturers or final assembly suppliers are included as prioritized suppliers.

2023	2024	2025
51	36	59

Percentage of Directly Contracted Supplier Facilities That were Audited

2023	2024	2025
6.9%	4.3%	8.4%

Percentage of Total Supplier Facilities per Risk Category

	2023	2024	2025
Green	88.2%	72.2%	84.7%
Not Green	11.8%	27.8%	15.3%

* Green Rating: No Priority findings AND five or lower violations

Number of Major Non-Conformances per Country (2025)

* Priority + Major violations

Audit Item	China	Korea	Mexico	India	Vietnam	Total
Labor	38	1	4		31	74
Freely Chosen Employment	3					3
Working hours	17				18	35
Wages and Benefits	4		1			5
Management System	14	1	3		13	31
Health & Safety						
Occupational Safety	7		2		1	10
Emergency Preparedness	4				2	6
Industrial Hygiene	1		2			3
Food, Sanitation and Housing	1					1
Machine Safeguarding					1	1
Management System	5		1		1	7
Environment						
Environmental Permits			1			1
Air Emissions			1	1		2
Management System			2			2
Ethics						
Management System			2			2
Supply Chain Management						
Supplier Responsibility	4	1	1		3	9
Total	60	2	16	1	39	118

Summary of Major Non-Conformances for the Past 3 years

* Priority + Major violations

Audit Item	2023	2024	2025	Total
Labor	86	44	74	204
Freedom of Association			3	3
Freely Chosen Employment	3	3	3	9
Wages and Benefits	11	15	5	31
Working hours	71	26	35	132
Young Labor	1			1
Management System			28	28
Health & Safety	14	9	28	51
Emergency Preparedness	2	5	6	13
Food, Sanitation and Housing	2	2	1	5
Health and Safety Communication	1			1
Industrial Hygiene	1	1	3	5
Machine Safeguarding	2		1	3
Occupational Injury and Illness	1			1
Occupational Safety	5	1	10	16
Management System			7	7
Environment	1	2	5	8
Air Emissions			2	2
Environmental Permits and Reports	1	2	1	4
Wastewater and Solid Waste				0
Management System			2	2
Management System	5	17		22
Audits and Assessments	1	3		4
Corrective Action Process		1		1
Documentation and Records		1		1
Improvement Objectives	1	2		3
Legal and Customer Requirement		2		2
Management Accountability and	1	3		4
Risk Assessment and Management		1		1
Supplier Responsibility	2	3	9	14
Training		1		1
Total	106	72	118	296

Actions Taken to Address Assist Suppliers with Improvement and Capacity Building

In line with our sustainability-related policies, we have developed training programs for our suppliers to help them meet global standards in Environmental, Social, and Governance (ESG) disclosure and prepare for regulations such as the Corporate Sustainability Due Diligence Directive (CSDDD) in Europe. We strive to raise awareness of the importance of sustainable practices and build their capacities on the ground in managing greenhouse gas emissions, conducting supply chain due diligence, operating Environmental, Health and Safety (EHS) management systems, and publishing sustainability reports, among others. Moreover, legally mandatory courses are offered online which are becoming available to our second- and third-tier suppliers that have signed fair trade agreements with us. To ensure comprehensive adoption of the Supplier Code of Conduct and the forced labor policies across the supply chain, first-tier suppliers are also encouraged to disseminate training content to their sub suppliers and manage risks within the lower tiers of the supply chain.

Actions Taken to Address Allegation

Samsung Electronics makes a concerted effort to handle supplier grievances, while also listening to the concerns of their workers. We operate the Hotline for first-tier suppliers and the Cyber Sinmungo (Online Whistleblowing Channel) to resolve disputes between first-tier suppliers and second-tier or lower suppliers or external stakeholders. Starting in 2024, the Hotline, which was previously available only to first-tier suppliers, has been expanded to include second-tier suppliers to better address grievances from workers in the lower tiers of the supply chain.

All reports can be submitted through the following link:

<https://nsrm.secbuy.com/vocNoLogin.do?locale=en>

Details regarding our efforts to Grievances can be checked in our Sustainability website :

https://www.samsung.com/global/sustainability/people/supply-chain/#AYUqub0KDvUAIx_C

Actions Taken to Address Non-Conformances

Labor

- Working Hours
 - Monitor its supplier working hours for any excessive overtime, and disclose the results. Samsung looks at three months' of data, including those from peak, off-peak, and normal months, and check for compliance in working hours and weekly rest days.
 - Samsung will continue our efforts to improve working hours through close collaboration with suppliers. This includes pursuing responsible purchasing practices such as providing forecasts to suppliers in advance, minimizing contract changes, and providing consultations on working hour management procedures.
- Wages and Benefits
 - Recalculate safety-allowance amounts, make retroactive payments where shortfalls occurred, and establish quarterly payroll audits to verify ongoing compliance.

Health & Safety

- Occupational Safety
 - Distribute required PPE (e.g., ear-plugs, safety glasses) to all workers in hazardous zones, and conduct mandatory PPE-use training with monthly compliance checks.
- Machine Safeguarding
 - Complete an inventory of all electrical cabinets, install missing internal safety covers and insulation mats, and verify installation through a post-installation audit.
- Emergency Preparedness
 - Remove any obstacles from emergency-exit routes and institute daily housekeeping inspections. Provide standardized identification badges for all emergency-response personnel and arrange certified rescue-skill training in collaboration with local fire-police units.
- Occupational Injury and Illness
 - Replace missing or faded fire-extinguisher maintenance stamps, install weather-resistant storage cabinets, and maintain a quarterly inspection log.
 - Install eye-wash stations and emergency showers in areas where corrosive chemicals are used, and conduct functional testing on a regular basis.

Management System

- Supplier Responsibility
 - Conduct a separate RBA audit cycle that evaluates ethical compliance for each next-tier supplier.

Samsung support & scrutiny – Samsung provides the updated RBA template, communicates the new requirement to all suppliers, and integrates ethics-audit outcomes into the overall supplier evaluation that drives business decisions.

Overall, this unified corrective-action framework ensures that every Samsung-audited supplier can systematically address labor, health-and-safety, and compliance gaps while benefiting from Samsung’s dedicated resources, training, and continuous monitoring.

Stakeholder Management

Samsung engages with many organizations to gather feedback on its sustainability program, including :

- Responsible Business Alliance and its flagship program Responsible Minerals Initiative
- United Nations Global Compact (UNGC)
- European Partnership for Responsible Minerals (EPRM)

Supporting Labor Rights

Samsung Electronics upholds the rights of employees and supplier employees to form or join a worker representation body, as part of its Supplier Code of Conduct. Suppliers are required to respect the freedom of association and the right to collective bargaining in accordance with local laws and regulations. This includes ensuring that no interference, discrimination, retaliation, or harassment occurs against employees who join trade unions or similar associations and/or participate in collective bargaining, as well as those who choose not to do so.

The Supplier Code of Conduct mandates that suppliers create an environment where workers and their representatives can communicate openly with management regarding working conditions and management practices without fear of reprisal. These principles are aligned with international standards, including the ILO Declaration on Fundamental Principles and Rights at Work, and are integrated into the supplier audit program.

Samsung requires all of our suppliers to comply with the local laws of their respective countries as well as the Samsung Supplier Code of Conduct based on the RBA Code of Conduct in relation to labor and human rights, environment, health and safety, and ethics. To ensure compliance, we operate an integrated work environment management process consisting of self-assessments, on-site audits, and third-party audits. We reflect the findings from on-site audits and third-party audits in the annual comprehensive evaluations and policy improvements for the following year, and provide benefits to those suppliers rated outstanding, such as extra points in the comprehensive evaluations and cash rewards.

Details regarding our efforts can be checked in our Sustainability website :

<https://www.samsung.com/global/sustainability/people/supply-chain/#anchor5>