

Samsung SDS

Supplier Code of Conduct

Guide

(Four Operation policies)

Version 2.3

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This Guide is applied to suppliers doing business with Samsung SDS, their supply chain, and subcontractors (including labor dispatch agencies).

All suppliers shall make every effort to supervise and support their supply chain and subcontractors (including labor dispatch agencies) so that they comply with the Guide.

1. Labor & Human Rights

1.1 Freely Chosen Employment

1) Definition

All work must be voluntary. Forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery or trafficking of persons shall not be used. This includes transporting, harboring, recruiting, transferring or receiving vulnerable persons by means of threat, force, coercion, abduction or fraud for the purpose of exploitation. Workers must not be required to surrender any government issued identification, passports, or work permits as a condition of employment. In addition, labor conditions must be provided in written form to the workers in the language that they are able to understand.

< Terms >

Worker A person who is working for wages, regardless of any kind, in the supplier's business or at the supplier's workplace.

Employment contract A contract between the supplier and worker, which stipulates that the worker provides labor and the supplier pays wages for compensation.

Foreign worker A worker whose nationality or country of origin is different from the country where the supplier's workplace is located.

Labor dispatch agency A company who is hiring, providing, managing workers for supplier under contract and in exchange for financial compensation.

Dispatch worker A worker who is not employed by the supplier but is employed by labor dispatch agency and works at the supplier's workplace.

2) Guide

① Policy and Procedures

- Supplier shall establish adequate policies and procedures to ensure that any type of forced, bonded (including debt bondage), involuntary prison, or trafficked labor is not used.
- In the case of hiring workers through a labor dispatch agency, the Supplier shall only conduct business with labor dispatch agencies which have legal and valid licenses and shall enter into a labor dispatch contract with the agency.
- The Supplier shall require a labor dispatch agency to have documented policies and procedures in compliance with this Guide, and systems of monitoring compliance with the relevant policy shall be in place.
- All workers and labor dispatch agencies shall be trained with restrictions on forced labor and have relevant training records.

② Employment Contract

- Workers including foreign workers shall conclude an employment contract in their native language that is easily understood.
- The following details shall be included in a written employment contract, illegal terms and conditions (e.g. Terminating a worker's employment solely based on her pregnancy status) that go against local laws shall not be included:
 - Company name, address, legal representative or responsible person
 - Worker's name, address, identity card or other identification cards' number
 - Composition items and calculation method of wage (base pay, other allowances such as overtime allowance, wage deduction, etc.), payment method
 - Term of Employment, revocation of contract/resignation procedures and clauses

- Details of work, regular working hours and break time
- Legal holidays or days off
- Welfare benefits (Social insurance, accommodation, meal, transportation, working clothes)
- Working conditions set by other local regulations
- Before the start of worker's employment or during a period designated by local regulations (e.g. In China, within one (1) month after joining a company), the Supplier shall conclude a written employment contract directly with a worker and give the worker one (1) original contract document.
- Documents (e.g. receipt confirmation) guaranteeing that a worker receives a written employment contract shall be kept.
- For a foreign worker, terms and conditions of employment contract shall be provided to foreign worker before departure from their home country or region.
- After conclusion of this employment contract, it cannot be changed to worse conditions (e.g. low wages, relocation to other production facility, imposition of unnoticed fees such as accommodation/meal, etc.).
- The Supplier must check if a dispatch worker concluded an employment contract with labor dispatch agency in a legal manner, and a copy of the written contract shall be kept.
- Documents about registration of workers and employment contract shall be kept during the statute of limitations.

③ Restrictions on Keeping Workers' Original Personal Documentation

- Under no circumstances can the Supplier request the transfer of workers' original personal documentation (e.g., Passport, work visa/permit, identification, social security/insurance cards/documents, birth certificate, wage cards, bank documents, etc.)

- If needed, the Supplier shall manage a copy of personal documents with a worker's consent, and if the statute of limitations has expired, it shall destroy the copy of personal documents immediately.
- In the case that local law requires employers to hold foreign workers' personal documents or in the case of foreign workers' voluntary request for keeping their personal documents, relevant procedures shall be in place for safe keeping. Personal documents must not be tampered with or damaged in any way. In addition, procedures (e.g. management of personal document access records) ensuring workers are guaranteed the return of their documents within twelve (12) hours of the request shall be in place.
- Under no circumstances shall a fee for the safe keeping of personal documents be imposed on workers.
- A place to keep workers' personal documents in a safe manner shall be provided.
- Policy and procedures for complying with items mentioned above shall be established and maintained.

④ No Unreasonable Restrictions on Freedom of the Movement

- Except for cases allowed for worker safety or by local regulations, there shall be no unreasonable restrictions on the movement of workers such as toilets, drinking water, external medical facilities, factory/dormitory exit and entry. Movement to/from toilets or drinking water should not be allowed except for at certain times, and non-coercive restrictions system such as toilet passes shall be operated.
- Factory/dormitory exits shall be always open to ensure that workers can escape from these areas in emergency situations such as fire, etc.
- Workers shall freely move to and from dormitory or in/out of the facility when not engaged in work.

1.2 Young Workers

1) Definition

Child labor is not to be used. The term "Child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. If any child labor is detected, the Supplier shall immediately take required action steps. The Supplier shall immediately stop such child labor and improve the reviewing process regarding the age of the worker during recruitment.

Young workers over the legal minimum age for employment may be hired, however, young workers under the age of 18 shall not perform work that is likely to jeopardize the health or safety of young workers, including night shifts and overtime.

< Terms >

Young worker A worker older than legal minimum age for employment in the country or 15 years of age, whichever is greatest, but who is younger than 18 years of age.

Educational institution An institution which offers programs of that lead to a certification, degree, or diploma which is at least 1 academic term.

Night work Any work carried out between 10:00 p.m. and 5:00 a.m.

Hazardous work Certain sectors and occupations which are more dangerous than others including underground, underwater, dust, high place, high temperature, low temperature work and noise processing, chemicals/radio substance handling, works with vibration equipment, etc.

2) Guide

① Policy and Procedures

- Under any circumstances, the Supplier shall prohibit child laborers from being hired, and shall document and hold a child labor

prohibition policy specifying the legal minimum working age.

- All workers shall be trained on the child labor prohibition policy, and training materials/records shall be kept.
- The Supplier shall ensure the child labor prohibition policy is permanently posted at the entrance of workplaces, dormitories, cafeterias, and lounges in order to share the policy with all workers. Ways (hotline, etc.) of reporting anonymously if any child labor exists at workplace shall be provided.

② Employment Process

- An employment process which can check identity of applicants in order to block any attempt to hire a child laborer shall be established and implemented.
- Age-verification shall be based on visual verification of government-issued photographic ID, and its validity shall be verified through cross-checking the following methods.
 - Verification through Internet or local government offices
 - Government-issued birth certificate, voting registration card
 - “Official stamped” copy of a school certificate
 - Government-issued documents which can confirm date of birth, such as foreigner work permits
- A face to face interview shall be conducted for all applicants. In case any applicant is suspected as a child during an interview, the Supplier shall verify the applicant by asking the following questions based on personal information identified through ID card, etc.
 - Please tell me your ID card number.
 - Which year were you born?
 - Where is your hometown?
 - How old are your siblings?
 - Which year did you enter school?
 - Which school did you attend?
 - Where did you work before you applied here?

- The following documents related to the employment process shall be kept.

- Job application letter, a copy of ID card

③ Measures Taken if Child Labor is found

- If a child laborer is found at the workplace, the Supplier shall immediately stop the child from working and notify Samsung SDS.
- The Supplier shall verify the employment process again and improve the process.

④ Protection of Young workers

- The Supplier can hire workers under the age of 18, except for children. However, considering that it is difficult to take protective measures for young workers (prohibition on overtime work, etc.) in reality, it is recommended that hiring young workers shall be carefully considered. If the Supplier hires young workers, the Supplier must comply with a process for protecting young workers.
- To protect the health and safety of young workers, a young worker protection process prohibiting overtime, night work or hazardous work and requires health checks according to local regulations shall be complied with.
- Working records of young workers shall be separately managed, and young workers shall be distinguished from others through working clothes or name tags, etc.
- In case of requesting the registration/report of young workers in accordance with local regulations when hiring young workers, the Supplier shall comply with relevant requirements.

1.3 Working Hours

1) Definition

Working hours are not to exceed the maximum set by local law. Further, a workweek shall not be more than 52 hours per week, including overtime, except in an emergency or unusual situations.

Workers shall be allowed at least one day off every seven days.

< Terms >

Rest day Twenty-four (24) consecutive hours where workers do not work.

Emergency or unusual situations Incidents or situations which are difficult to produce goods in a normal way due to natural disasters (e.g. earthquake, flood, fire), state of national emergency, political instability, etc. or cause production line to stop due to unpredictable equipment breakdown, power failure, raw material/component shortages or quality issues. Situations (e.g. demand increase, changes to the contract, etc.) that suppliers can predict or adjust through negotiation are not included.

2) Guide

① Policy and procedure

- Excessive working hours may not only have a bad impact on the health of workers, but may also do harm to both workers and the Supplier such as accidents, quality problems, reduced productivity, etc. Therefore, policy and procedures that can record, operate and manage working hours and holidays of workers shall be established.
- Working hours shall be recorded and managed accurately through working hour recording systems including commuter card checks, etc.
- Working hour recording system shall be able to identify workers who are expected to work more than the maximum working hours per week, and to prevent these workers from working more than the

- maximum hours by warning the workers and managers in advance.
- If it is expected that production will increase, the Supplier shall establish measures including supplementing workers to meet the needs in advance so as to meet the requirements relating to working hours and holidays.
 - Workers shall be able to check their working hour records. If any problem is found, they may be able to raise objections to it so as to modify it.
 - Procedures for receiving a worker's consent in advance regarding overtime work shall be established. For all overtime work, the Supplier shall get workers' consent voluntarily, and should not force them to work overtime against the will of workers. In the case a worker refuses to work overtime, the Supplier must accept it. It shall ensure that workers who refuse to work overtime do not have any disadvantages, such as depriving these workers of overtime opportunity later or being punished like penalty, disciplinary actions, etc.
 - Adequate policy and procedures for legally mandated annual holidays, sick leave, maternity leave, mandated meal and rest breaks shall be in place, and relevant details shall be shared with all workers in worker training, worker handbooks, notice board posting, etc.

② Working Hours

- Workweeks are not to exceed the maximum set by local law. Further, a workweek shall not be more than 52 hours per week agreed upon by the parties, including overtime, except in emergency or unusual situations.
- Like the following examples, the calculation of working hours including workers' waiting time under the direction and supervision of the Supplier, etc. shall be reflected in their monthly wages.
- Time which a worker spends staying at production lines regardless of

operation of production facilities

- Waiting time before and after training, production planning meeting, daily meeting and shiftwork.
- Time which a worker spends staying at the place managed by suppliers to perform tasks.

③ Guaranteeing at least one day off every seven days

- Workers shall be provided with at least one day off every seven days except for emergency or unusual situations.
- In the case that the Supplier does not offer days off to workers, reasonable reasons shall be provided.
- The maximum consecutive days worked shall not exceed six days

④ Guaranteeing legal holidays and rest breaks

- The Supplier shall guarantee that workers can use 100% of legally mandated annual holidays and compensate them for unused holidays in accordance with local regulations.
- Sick and maternity leave shall be provided in accordance with local regulations.
- Rest breaks shall be guaranteed in compliance with local regulations. If there is no local regulation, it is recommended that workers shall be given a 10-minute break or more every two hours.
- Time allotted for lunch shall be guaranteed according to local regulations. If there is no local regulation, it is recommended that workers shall be given one hour.

1.4 Wages and Benefits

1) Definition

Compensation paid to workers shall comply with all local laws, which shall include those relating to minimum wages, overtime hours and legally mandated benefits. All overtime work must be voluntary under worker's consent. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. The basis on which workers are being paid and itemized earnings must be provided in a language that workers are able to understand, via pay stub, similar documentation or Supplier intranet.

< Terms >

Minimum wages Legally mandated minimum pay per hour/week/month, excluding allowance, overtime pay, and bonuses.

Regular hours Normal hours worked determined by local law and regulations, or in the absence of such laws, as defined by contractual agreement between supplier and worker (e.g. 8 hrs/day, 40 hrs/week).

Overtime hours Amount of time worked beyond regular hours.

Overtime pay Wages for overtime hours. Workers shall be compensated for overtime at pay rates higher than regular hourly rates. In the case that local regulations exist, overtime pay shall be paid in accordance with relevant regulations.

Benefits Except for wages of regular working hours and overtime hours, benefits additionally provided to workers. Allowance, paid/unpaid holidays, social insurance, retirement allowance, performance-related pay, bonus, housing, and transportation are included.

Disciplinary deductions Fines or wage cuts as a disciplinary measure, non- payment due to late arrival or absence, is not included.

2) Guide

① Policy and Procedure

- Adequate policy and procedures which accurately record working hours of all workers and pay accurate wages for working hours shall be established.
- The Supplier shall establish adequate policies and procedures for regulations on wages, social insurance, allowance and other benefits, calculation methods, payment date, payment method, etc.
- All relevant details shall be shared with workers in training sessions, worker handbooks, notice board posting, etc.
- When errors in wage calculation occur, policy and procedures which correct errors shall be established and managed. Procedures ensuring that any workers can make objections to errors and correct them shall be provided.
- The Supplier shall require labor dispatch agencies to hold documented policy and procedures in order to comply with this Guide and continuously evaluate if agencies comply with relevant policy and procedures.

② Accurate Wage Payment

- All workers shall be paid at or above the minimum wage for regular working hours.
- All workers shall be compensated for overtime by reflecting overtime pay rate into an hourly rate based on total amount of wages or regular wages according to local regulations.
- In the case that the Supplier's pay system is performance-based wages, all workers shall be guaranteed at or above minimum wages for regular working hours regardless of achievement of target. Overtime pay shall be paid according to local regulations.
- In the following instances, the workers' waiting time under the direction and supervision of the Supplier to perform tasks shall be

reflected in their monthly wages.

- Time that a worker spends staying in production lines, regardless of operation of production facilities
- Waiting time before and after training, production planning meeting, daily overview meeting and shiftwork
- Time that a worker spends staying at the place managed by the Supplier to perform works
- Wages shall be paid at the designated date once a month or more, and its payment date cannot be delayed.
- All payments, including wages and severance pay, shall be made no later than 30 days after worker's final working day or in compliance with local regulations.
- Allowances such as overtime pay, pay for work in high temperatures, shift pay, etc. shall be accurately paid to all workers according to local regulations.
- Wages shall be paid to a worker's bank account or directly to a worker, and should not be paid to a third party.
- The Supplier shall ensure that labor dispatch agencies pay accurate wages to dispatch workers and continuously check if agencies comply.
- Pay slips or other equivalent proof of payment shall be kept during a statute of limitations, and any workers shall be able to freely read them.

③ Provision of Pay slips

Workers shall be provided with pay slips that clearly indicate compensation, including regular working hours, overtime hours, hourly rate, legal pay, detail of deductions, detail of benefits, etc. in an understandable language, form or with wage information via on-line system in which workers can freely read relevant information.

④ Provision of Legal Social Insurance

- Social insurance shall be paid by complying with payment standard according to local regulations.
- All the relevant details including payment standard of social insurance, burden charge of worker shall be shared with workers in worker training, worker handbooks, notice board posting, etc.
- Relevant documents including details of payment of social insurance shall be kept during the statute of limitations.
- The Supplier shall require labor dispatch agencies to pay social insurance for dispatch workers in an accurate manner and continuously evaluate if agencies comply.

⑤ Prohibitions on Unfair Penalty and Disciplinary Deductions

- Practices such as penalty, wage cuts, reduced benefits, etc. by disciplinary means are prohibited.
- Under no circumstances, except for deductions in compliance with local regulations including tax, social insurance, and service expenses (meal, laundry, etc.) provided with a worker's consent, can the Supplier deduct wages of workers. With regard to services provided to the workers mentioned above, workers must have a right not to select these services, and worker's prior consent shall be required.

1.5 Humane Treatment

1) Definition

There is to be no harsh and inhumane treatment including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers; nor is there to be the threat of any such treatment. Suppliers shall define disciplinary policies and procedures in support of these requirements, and explain and train workers with respect to such policies and procedures.

< Terms >

Workplace A place where supplier's work is done or an event related to the Supplier's business occurs

Sexual harassment Any behavior that makes a person feel humiliated or disgusted through sexually-colored remarks or behavior that request sexual relations against the other party's will

Sexual abuse Forcing undesired sexual behavior by one person upon another, such as forced sex or unwanted sexual contact

Mental coercion Any behavior that poses a threat to the other party by verbal or non-verbal means

Physical coercion Any behavior that poses a threat to the other party by physical contact.

2) Guide

① Policy and Procedure

- Adequate policies which prohibit any inhumane behavior including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, verbal abuse of workers, etc. shall be established. Relevant policies and procedures on disciplinary measures against a person who committed inhumane acts shall be documented and shared with all workers including managers in

worker training, worker handbooks, notice board posting, etc.

- Policies and procedures that guarantee that any inhumane acts may be anonymously reported by all workers, guarantee anonymity of reporter, and give the reporter feedback on results of disciplinary action within an appropriate period shall be in place and shared with workers.
- The Supplier shall establish procedures which record and keep all written records of disciplinary action against inhumane acts.
- The Supplier shall require labor dispatch agencies to hold documented policies and procedures in order to comply with this Guide and continuously check if agencies comply with it.

② Prohibitions on Inhumane Acts

- In order to ensure that inhumane acts do not occur at workplaces, the Supplier shall continuously train workers for all relevant policies, and relevant training records shall be kept.
- The Supplier's policies shall include a full explanation on inhumane acts and cases which can be regarded as inhumane acts.
- The Supplier shall operate procedures in which any worker can report complaints anonymously without any worries of retaliation and manage relevant procedures by designating a person in charge.
- Once a report on inhumane acts is received, the Supplier shall check the fact relevance immediately, take proper actions according to established policies, and give a reporter the feedback on the results of disciplinary action.
- Any retaliation against a reporter is strictly prohibited. The Supplier shall continuously manage procedures for preventing any retaliation. If it is required to modify procedures, the Supplier shall improve them right away.
- All records of a series of processes, including a report on inhumane acts, results of disciplinary action, etc. shall be documented and kept.
- One of the methods in which a worker can report any inhumane acts

effectively is by using the 'hot-line'. The following cases are recommended.

- Method: E-mail account, hot-line
- Posting Area: Posters placed at doors, restaurants, dormitories, etc.

③ Managing Records of Disciplinary action

- Disciplinary policies and procedures for those who committed inhumane acts shall be established according to fair and objective standards and shall be finally approved by the management.
- Any inhumane treatment of those who have committed inhumane acts must not be allowed in the process of disciplinary action.
- All records of disciplinary action shall be kept for at least one year or more.
- Measures for preventing any reoccurrences of inhumane acts must be included in the records of disciplinary action.
- Results of disciplinary action shall be shared with all workers so as to prevent similar inhumane acts.

1.6 Supply Chain Diversity

1) Definition

Suppliers shall be committed to a workforce free of harassment and unlawful discrimination. Companies shall not engage in discrimination based on race, color, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status in hiring and employment practices such as promotions, rewards and access to training. In addition, unless medical tests are required under local laws or for workplace safety reasons, workers or prospective workers shall not be subjected to medical tests that could be used in a discriminatory way.

It is necessary to create a culture of diversity and inclusion of workers in

order to create an organizational culture in which all members can feel a sense of belonging and fulfill their original potential based on equal opportunities. In terms of diversity, discrimination should not be made on the grounds of minorities, the socially vulnerable, and other physical differences, and it is necessary to create an environment in which the workers can demonstrate their abilities within the company. This can also be achieved by working with partners with people from various backgrounds.

2) Guide

① Policy and Procedure

- The Supplier shall establish policies and procedures that ban discrimination based on personal characteristics such as race, age, color, gender, sexual orientation, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership or marital status, etc.
- The Supplier shall establish adequate policies and procedures which do not require any workers or potential workers to have medical tests that can be used in a discriminatory way except for the cases required for local laws or workplace safety.
- The Supplier shall establish policies and procedures which any discrimination acts can be anonymously reported by all workers, guarantee anonymity of reporter, and give the reporter feedback on results of disciplinary actions within an appropriate period.
- Policies and procedures mentioned above shall be documented and shared with all workers including managers in worker training, worker handbooks, notice board posting, etc.
- Procedures including recording and keeping all written records of disciplinary action against discrimination acts shall be established.

② Non-Discrimination

- The Supplier shall ensure that any decisions in hiring, employing (such as compensation, promotion, access to training) or terminating workers are based solely on the worker's ability to perform the job's requirements and performances, not on personal characteristics.
- The Supplier should not require any workers to have medical tests including hepatitis B (and pregnancy tests for female workers) or to give the results of medical tests, except for cases required for local laws or for workplace safety. The Supplier shall also not discriminate against any worker based on the worker's refusal to take a medical test or the worker's pregnancy status.
- In order to ensure that discrimination acts do not occur at the workplace, the Supplier shall continuously train workers for all relevant policies once a year or more and keep relevant training records.
- Once a report on discrimination acts is received, the Supplier shall check fact relevance immediately, take proper actions according to policies, and give a reporter the feedback on the results of disciplinary action.
- Retaliation, of any kind, against a reporter is strictly prohibited. The Supplier shall continuously manage procedures for preventing any retaliation. If it is required to modify procedures, the Supplier shall improve them right away.
- The Supplier in China shall comply with the following guides.
 - The Supplier shall not separate cafeterias of managers and workers or provide different types of foods to managers and workers separately (i.e. the Supplier must provide same foods at the same place).
 - The ratio of dispatch workers shall not exceed ten (10) percent of total workers, and the wage standards of regular and dispatch workers performing same jobs shall be equal.

1.7 Freedom of Association

1) Definition

In conformance with local law, Suppliers shall respect the right of all workers to form and join worker council or trade unions of their own choosing, and associate freely with other workers to bargain collectively and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities.

Workers and/or their representatives shall be able to openly communicate and exchange views with Supplier regarding ideas and concerns about working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment.

2) Guide

① Guaranteeing right to form trade unions

- Suppliers shall respect the right to form, join, or reject a trade union.
- Suppliers shall not discriminate whether or not it joins a trade union, and management will permit the democratic election of worker representatives. If a worker is in the form of joining a trade union at the same time as joining the company, the supplier must notify the worker in advance.
- Legal rights of all workers to bargain collectively, or refrain from doing so, are respected. Suppliers shall respect the Collective Bargaining Agreement terms and conditions. Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.
- Suppliers shall respect the legal right of all workers to peacefully assemble as well as respect the right of workers to refrain from doing so.
- Unions' independence shall be guaranteed, and attempts to control it are impossible.

1.8 Job training

1) Definition

Suppliers shall provide opportunities for workers to receive the education they need in order to develop their capabilities, improve their work productivity, and improve their work satisfaction, including education that is essential for management. It is necessary to motivate workers to strengthen their self-development capabilities and provide education more actively.

2) Guide

① Strengthening the capacity of workers

- Suppliers shall provide everyone with the educational opportunities they need for their jobs fairly.
- It is recommended to run an education program at least once a year.
- During the training period of workers, conditions should be created to focus on education.

2. Safety & Environment

2.1 Emergency Preparedness

1) Definition

Potential emergency situations and events are to be identified and assessed in advance, and their harmful impact minimized by implementing emergency plans and response procedures including reporting, employee notification and evacuation procedures in case of emergency, worker training and drills to prevent emergency, exit facilities providing clear and unobstructed escape, appropriate fire detection and suppression equipment, and recovery plans.

< Terms >

Emergency or Abnormal Situations An event or situation which is difficult to produce goods normally or is out of the supplier's control due to natural disasters (earthquake, flood, fire) or state of national emergency or political instability. Situations such as mechanical failure, seasonal change, an increase in productivity, etc. which a supplier can control or estimate are not included.

Automatic fire extinguisher Equipment shooting out fire extinguishing agents like sprinklers, spray fire extinguishers with gas/foam/water type and so on.

2) Guide

① Establishing Emergency Response Systems

- Adequate and effective signage shall be placed to ensure that the signage can be observed along with emergency numbers, emergency response team and emergency plot, response plan, etc. at a place where workers can easily access.
- Safe muster points shall be prepared inside and outside of buildings

- in emergency situations when an accident can occur, and emergency response kits shall be easily accessible at muster points.
- The facility's risk assessment and the emergency response scenario shall be prepared, and the identified risks shall be documented. (E.g. fire, chemical spill, earthquake, bomb disposal, strike, natural disaster, etc.)
 - With regards to a series of activities for transporting, saving and handling dangerous objects, special facilities shall be equipped as follows:
 - Electrical equipment with explosion-proof type: Install forced or natural ventilation facilities
 - Indoor repository for dangerous objects: Install forced or natural ventilation facilities
 - Place handling dangerous objects: Install local ventilation facilities
 - Workers shall be trained on the contents of the emergency response plans and the types of potential emergencies that may occur at their work location. Evacuation and muster points in emergency situations shall be communicated to all employees.

② **Emergency Evacuation Drills**

- Adequate and effective emergency evacuation drills shall be conducted in every area (including production line, dormitory, cafeteria, warehouse, office, etc.) of the Supplier and for all workers.
- Results of all emergency evacuation drills shall be documented and maintained. Its results shall include corrective action plan and its training contents to improve the emergency response situation.

2.2 Environmental Permits

1) Definition

All required environmental permits (e.g. discharge monitoring), approvals and registrations required in the operation of the company are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.

< Terms >

Environmental permits Legally required permits for air emissions, wastewater discharge, storm water discharge, hazardous materials storage and use, waste disposal, etc. in compliance with legal regulations

Prevention facilities Facilities for removing or decreasing environmental pollutants

Hazardous substance Ignitable or inflammable substances, etc. it is classified under the first and sixth type.

2) Guide

① Environmental Permits

- All legally required environmental permits for air emissions, wastewater discharge, storm water discharge, hazardous materials storage and use, and waste disposal shall be acquired.
- Any alteration that may change the status of registration and permitted hazardous waste generation shall be registered to local and national regulatory agencies and be modified.
- A document process shall be in place to ensure permits are renewed before current permits expire. Renewal tracking shall be documented and stored.

2.3 Pollution Prevention

1) Definition

Emission of pollutants and generation of waste are to be minimized or eliminated at the source or by practices such as adding pollution control equipment. When discharging substances that can cause air pollution, Suppliers must manage or process them in accordance with local laws before discharging. Suppliers must constantly monitor the processing efficiency of air pollution prevention facilities. Also, Suppliers are to look for cost-effective methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

< Terms >

Exhaust Gas Pollutants to be regulated which can be directly and indirectly released to the air from facilities of suppliers, having a detrimental effect on the human body or/and environment. Exhaust gas includes volatile organic compound(VOC), NO, SO, CO, PM, GHG, etc.

Greenhouse Gas(GHG) Gas containing CO₂, CH₄, N₂O, and fluorine gas (SF₆, HFC, PFC).

Regulation Air quality standard designated by regional and/or national regulatory agencies.

2) Guide

① Policies and Procedures

- The use of resources and present condition of wastes generated shall be integrated and managed through tracking and documentation at greenhouse gas emission related facilities and at the company level.
- Suppliers shall have resource reduction policies and procedures for this, and meet all regional and national regulations.
 - R&R, written procedures, desired value, monitoring, reporting

system, etc.

- To improve energy efficiency of facilities at places of businesses and minimize energy consumption and greenhouse gas emission, the following measures shall be implemented:
 - Develop a program which checks, monitors, and controls important matters from environmental aspects through physical evaluation
 - Record the use, consumption, recycling, and disposal of resources by substance
 - Build a system to monitor the use and disposal of resources
 - Identify opportunities for minimizing energy consumption, Establish cost- effective measures, etc.

② Evaluation and Improvement Management

- The performance of annual energy consumption and greenhouse gas reduction goal shall be measured and documented. If it is not fully achieved, it shall be corrected.
 - Documentation is available showing how energy and other greenhouse gas sources are converted into greenhouse gas emissions by using internationally recognized greenhouse gas protocol.
- A regular review shall be conducted to find opportunities for improvement (at least once a year).
- It is recommended to thoroughly train persons in charge of running and maintaining energy and fuel consumption facilities on a regular basis.

2.4 Occupational Safety

1) Definition

Have effective knowledge of the industry, identify potential risk factors, and provide safe and healthy working environment.

In order to prevent Worker from potential exposure to safety hazards (e.g. chemical, electrical and other energy sources, fire, vehicles, and fall hazards), proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lock out/tag out), and ongoing safety training should be implemented and assessment of such measures should be processed. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards.

In addition, health checkups should be conducted so that workers can engage in healthy work activities and those subject to health care should be identified in advance. In addition, safety and health policies should be established and managed for the safety and working environment of workers.

< Terms >

Persons in Charge of Safety and Health Management A person appointed for the purposes of general management the safety and health management affairs of a place of business

Industrial Accidents Any personal injury, disease or death resulting from an occupational accident

2) Guide

① Safety Environment Management system

- A business owner shall require a person in actual charge of the

general supervision and management of the place of business to supervise and manage industrial accident at the place of business.

- The type of business and the number of regular workforce at a place of business required to have a person in charge of safety and health management, and other necessary matters shall be prescribed in accordance with local regulations.
- Each business owner shall retain documents relating to appointing a person in charge of safety and health management, safety officer, health officer, safety and health manager, or occupational medicine physician for three years
- If there is a reason to appoint or designate a manager, each business owner shall appoint or designate without delay.
- If a business site is large or a business owner operates several factories, a person in charge of safety and health management will be appointed to manage part of the business owner's safety and health management. Thus, factory manager, branch manager, site manager, or construction manager could be the person in charge of safety and health management.




② Harmful or hazardous works Precautionary

- Physical guards, interlocks and barriers are to be provided and properly maintained where Harmful or hazardous works or machinery presents an injury hazard to workers.
- Harmful or hazardous works or machinery shall be classified as follows:
 - 1) Measures to prevent physical hazards of workers
 - Dangers caused by machines, equipment, and other equipment
 - Risk caused by explosive, ignition, inflammable substances, etc.
 - Risk from electricity, heat, and other energy
 - 2) Measures to prevent hazards caused by working methods, etc.
 - Risk caused by working method
 - Risk caused by working behavior

3) Measures to prevent hazards occurring at work places

4) Measures to prevent health hazards of workers

< Safeguards >

		
Emergency stop equipment	Safety handrail	Safety barrier

< Types of Safety Warning Signs >

 인화성물질경고 Warning: Flammable material	 산화성물질경고 Warning: Oxidizing	 폭발성물질경고 Warning: Explosive material
 급성물질경고 Warning: Acute toxic	 부식성물질경고 Warning: Corrosive material	 발암성·변이원성·생식독성· 전신독성·호흡기과민성물질경고 Warning: Carcinogenicity, Mutagenicity, Reproductive toxicity







③ Management of Personal Protective Equipment (PPE)

- The Supplier shall prepare and implement standards for provision of PPE to prevent any potential risks if it is determined that workers are exposed to potential hazards by considering workers' working environment.
- Workers performing tasks that require PPE shall be provided with

appropriate PPE, and its relevant records shall be managed.

- All workers shall wear appropriate PPE by relevant process in compliance with local regulations, and can require the Supplier to add, supplement and strengthen PPE.

<Types of PPE>

Type		Details
Gas Mask		<ul style="list-style-type: none"> • Full face mask: Cover over the nose, the eyes and whole face • Half face mask: Cover over the nose and respiratory system • Used in areas which generate VOCs, acid/alkaline gas
Dust Mask		<ul style="list-style-type: none"> • Dust Mask: Used in areas full of dust • Dust Mask (Activated carbon coating) : Used in areas which organic solvent is used at the place where a hood is installed
Protective Gloves		<ul style="list-style-type: none"> • For general use : Used for general works • For chemical purpose: Used in areas using chemicals like paints, organic solvent, etc.
Protective Clothing		<ul style="list-style-type: none"> • For general use : Used areas with dust • For chemical purpose: Used in areas using chemicals like paints, organic solvent, etc.
Safety Shoes		<ul style="list-style-type: none"> • For general use: Protect a person's feet from fall or shock • For chemicals: Used in areas using chemicals like paints, organic solvent, etc.
Safety Glasses Face Mask		<ul style="list-style-type: none"> • Safety Glasses: Protect a person's eyes from missile and harmful liquid substance • Safety Face Shield: Cover over a person's eyes and whole face (welding/cutting works)

④ **Worker's physical health care**

- The Supplier shall conduct regular health checkups for workers' health care in accordance with local laws.
- The Supplier shall be able to conduct health checkups and identify those who are subject to health care in advance so that workers can engage in healthy work activities.
- Special health checkups should be conducted for workers exposed to harmful factors.
- Frequent/temporary health checkups should be conducted if necessary.
- The results of the health examination should be documented and kept.

⑤ **Safety and health policy**

- The company's safety environment policy should be posted and the site manager's safety, health and environment policy should be established separately if necessary.
- The Supplier shall spread the word to all workers.

2.5 Hazardous Substances

1) Definition

Chemicals and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal. Supplier shall comply with local laws and regulations prohibiting or controlling the use of particular materials.

< Terms >

Chemicals Substances that cannot be separated into two kinds of substances by condition change (evaporation, distillation, etc.) which is compared to mixture.

Hazardous chemicals Chemical substances which are defined by chemicals related laws in countries as being poisonous to health of people or the environment.

Handling facility A facility or equipment which produces, keeps, stores, transports or uses chemicals.

MSDS [Material Safety Data Sheet] A sheet that contains the important information about chemical materials for safety when using and treating them.

2) Guide

① Hazardous Chemicals Management

- Hazardous chemicals in a workplace shall be kept, stored and transported separately and shall be handled by facilities that are appropriate to each process.
- Protection facilities such as access control for dangerous substances, fire protection, segregation, leakage prevention, ventilation, and appropriate storage cabinet shall be prepared.
- Hazard signs and information (MSDS, warning signs) on hazardous

substances, access restriction signs, etc. shall be written in the language easily understood by workers.

- Review, approval and history management procedures for reception, storage, delivery, use, recovery, and handling of hazardous chemicals shall be kept.
- Waste of hazardous substances shall be safely treated by a company that is approved and allowed by the authorities and the documents related to its qualification shall be kept.
- Standard on the type of business and the number of regular workforce at a place of business which requires to appoint a person in charge of safety and health management in accordance with local regulations.

② Training for Hazardous Substance Handler

- Hazardous substances should be separately stored, kept, transported and should use proper equipment for each process
- Workers who handle and manage hazardous substances shall be trained on information required for use, handling, storage and treatment of chemicals (including waste).
- Training materials on hazardous substances shall be up to date at all times and the result report on training records shall be kept.




③ Hazardous Chemicals Management

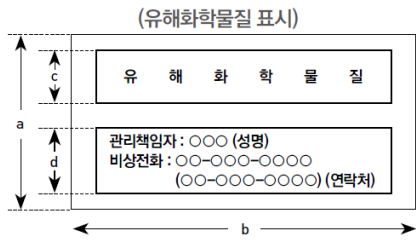
- The hazardous waste handling company contracted with the Supplier shall be audited and managed periodically to check if the company complies with the requirements of the local regulations.
- Plans to minimize generation of hazardous waste in a workplace shall be established and implemented, and activities for improvement shall be continuously carried out.

< Items for MSDS and Warning Signs >

Items for MSDS

- | | |
|---|-------------------------------------|
| 1. Information of chemical products and company | 9. Physical and chemical properties |
| 2. Hazard Risk | 10. Stability and reactivity |
| 3. Name and content of composition | 11. Toxicological information |
| 4. First aid measures | 12. Effect on environment |
| 5. Explosion and fire fighting measures | 13. Disposal consideration |
| 6. Accidental release measures | 14. Transportation information |
| 7. Handling and storage | 15. Regulatory information |
| 8. Exposure control and personal protection | 16. Other information |

<p>Items for warning signs</p> <p>1. Name (Product name or substance name)</p> <p>2. Pictogram</p> <p>3. Signal words</p> <p>4. Hazard risk statement</p> <p>5. Precautionary statement</p> <p>6. Information on supplier</p>	<p>(ex)</p> <p>Benzene</p> <p>Hazard Risk statement</p> <p>· Highly inflammable liquid and vapor · Harmful to aquatic life with long lasting effects</p> <p>· Harmful if swallowed · May be fatal if swallowed and enters airways</p> <p>· Causes skin irritation</p> <p>· Causes serious eye irritation · May cause genetic defects · May cause cancer</p> <p>· Causes damage to organs (central nervous system, hematopoietic system) through prolonged or repeated exposure</p> <p>Precautionary statement</p> <p>(Prevention)</p> <p>· Keep away from heat/sparks/open flames/hot surfaces. No smoking.</p> <p>· Wear protective gloves/protective clothing/eye protection.</p> <p>(Response)</p> <p>· If on skin or hair, rinse with water.</p> <p>· If in eyes, rinse with water for several minutes. Remove contact lenses.</p> <p>(Storage)</p> <p>· Store in a well-ventilated place and keep cool.</p> <p>(Disposal)</p> <p>· (according to the relevant regulation) Dispose of container.</p> <p>For other details, refer to MSDS. .</p> <p>Information on supplier : ○○ corporation, TEL : △△△ △△△△ △△△△</p>	<p align="center">Danger</p> <div style="text-align: right;">    </div>
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< Marks of Hazardous Chemicals >



< Attachment of Warning Signs >

2.6 Health and Safety Communication

1) Definition

Suppliers shall ensure the health and safety of workers in all activities carried out on the company's business, including product production. To do this, suppliers shall strive to build and maintain safe and healthy workplaces in accordance with local laws and regulations.

This should include appropriate training to help employees understand health and safety related information sharing and the right work practices and judgments of employees, and they should be trained through periodic training.

Training should be conducted in the language that they are able to understand that is used by workers, and relevant information should be posted in a prominent place on the premises.

< Terms >

Health and Safety Information Health and Safety Information is all things related to work and health, including all information related to the prevention of occupational diseases and the protection of workers' health.

This includes a healthy state without mental or physical abuse, health care that protects and promotes health and life, such as the prevention or treatment of illness, or measures to benefit health and hygiene which means improving the working environment.

Healthy workshop means environment such as dormitory, cafeteria, and sanitary facilities as the living environment of the workers necessary to support recharging and resting for production beyond the work space where the direct products takes place.

2) Guide

① Policies and Procedures

- Establish policies and action plans for employees' education and training, communication, evaluation and improvement on all items related to health and safety that is presented in this Code of Conduct.
- All workers and supervisors should be able to understand the workplace ergonomic hazards and correct working posture through training.
- Worker education and training should include guidelines that minimize the ergonomic hazards of work and ensure safety procedures, such as posting.
- Also include guidelines on the operation of welfare facilities that can minimize the risks to the individual's health and hygiene

② Education

- Develop and document training matrix by conducting needs analysis.
- Establish a training plan based on the training matrix.
- It is recommended that the program be built with the most up to date materials, records and maintained through compliance calendars, work order systems, and computer based email / calendar systems.
- Education should be conducted in the language understandable by the worker.

③ Training

- Suppliers should conduct appropriate workplace health and safety training for workers, such as responding to emergencies, to minimize damage from all possible hazards in the workplace.

④ Communication

- All information relating to the safety of workers should be posted clearly visible on the facility and perform activities to observe and maintain that they are clearly posted on the facility in the language understood by workers.
- Establish an official communication program for workers including health and hygiene, and operate at least the following:
 - Measures to promote all risks and workplaces in the workplace
 - Update every time when add a new operation to a facility

⑤ **Assessment**

- Record in detail the number of workers involved and potential improvements and all recorded actions and improvements should be documented and retained.
- Conduct training, including retraining, on a scheduled basis and training records should be operated including the effectiveness verification. (After training, confirm if workers have understood and the educational goals were achieved through test or interviews)
- If there is a change in the company's policies or procedures, the entire worker must be notified 30 days before enforcement.

2.7 Green purchasing

1) Definition

By purchasing eco-friendly products, it can contribute to maintaining a pleasant life and quality of the environment by minimizing the impact on the human body and the environment in terms of consumption and efficiently using finite resources.

2) Guide

① Policies and Procedures

An eco-friendly product refers to an item with excellent quality that can contribute to saving resources and reduce human health and environmental pollution compared to other products or services for the same purpose, and falls under the following.

- 'Environmental mark products' prescribed by the Environmental Technology Development and Support Act and Rules;
- 'Excellent recycling products' prescribed by the Act and Rules on the Promotion of Saving and Recycling of Resources and the Industrial Development Act;
- 'Energy Efficiency Labeling Levels 1 and 2, Energy Saving Mark Certified Products, and High Efficiency Energy Equipment and Materials' prescribed by the Energy Use Rationalization Act and Rules;
- In addition, "eco-friendly certified goods" certified by the government of each country, etc.

The green purchase policy means that if there is a green product in the item you want to purchase, you make a purchase in accordance with Suppliers' own purchase policy.

In addition, suppliers shall create and manage purchasing performance for each green product.

3. Ethics

3.1 Business Integrity

1) Definition

The highest standards of integrity are to be upheld in all business interactions. Suppliers shall have a zero-tolerance policy to prohibit any and all forms of bribery, corruption, wrongful gain and embezzlement. All transactions must be made transparently and be accurately reflected in Suppliers' account books and business records. Suppliers shall also implement monitoring and enforcement procedures to comply with anti-corruption laws.

2) Guide

① Policy and Procedure

- The most rigorous standard of integrity and a zero-tolerance policy with regard to any and all forms of bribery, corruption, extortion and embezzlement shall be established.
- A formal procedure that encourages employees/workers to report a conflict of interest shall be established. In case a conflict of interest is reported, it shall be recorded.
- A formal procedure shall be in place to protect workers/employees from retribution such as demotion, penalty, etc. for not committing the offense including bribery, corruption, extortion and embezzlement in relation to ethics policy even if this action may cause economic losses to a company.

< Cases on Conflict of Interest >

An employee or his/her immediate family has a business relation with the company which he/she is working for. An employee or his/her immediate family holds shares of competitors. Any illegal act of offering and accepting bribes such as rebate on transaction, commission, gift, cash, etc. which hinder fair competition.

3.2 No Improper Advantage

1) Definition

Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given or accepted. This prohibition covers promising, offering, authorizing, giving or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage. Monitoring and related procedures shall be complied with to ensure compliance with anti-corruption laws.

2) Guide

① Policy

- Gifts to or from suppliers and customers shall not be excessive in cost and frequency. Details containing that bribes or other ways to obtain unfair or improper advantage are not promised, provided, authorized, given or accepted shall be documented.

② Operating a Regular Monitoring Program

- Whether workers/agents offer or accept improper offers, bribes, or unfair or improper advantage shall be checked.
- Alleged improper business conduct done by workers, employees and managers shall be investigated and action shall be taken accordingly

(including preventive measures depending on results of investigation).

- In case of such violation, records which include investigation methods, objective data and testimony shall be kept. If individual does not comply with a company's ethics policy, measures in accordance with personnel regulations shall be taken.

3.3 Intellectual Property

1) Definition

Intellectual property rights are to be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights; and Samsung's proprietary information is to be safeguarded.

2) Guide

① Policy and Program

- Suppliers shall establish a formal policy and programs to protect information of a customer when signing a contract with the customer.
 - Such information includes names and contact information of key customer personnel, contract pricing and volumes, names of subcontractors and materials/components suppliers, identities and trademarks, third-party intellectual property, patent records, copyright-protected contents, etc.
 - A program and procedures to review and protect intellectual property rights shall be in place.
 - A formal procedure shall be established to ensure non-disclosure and protection of information on a supplier's customers, channel partners, suppliers, workers, and other business partners in accordance with applicable laws and regulations.
 - IP policies shall include guidelines about the distribution and

dissemination of information. This shall include a non-disclosure agreement (separate or part of employment contract) for workers and management.

3.4 Protection of Identity

1) Definition

Suppliers shall operate programs that ensure the confidentiality and protection of Supplier and employee whistleblower, unless prohibited by law. Suppliers should communicate the relevant process for their personnel to be able to raise any concerns without fear of retaliation.

2) Guide

① Protection of Identity

- Supplier shall investigate if a whistleblower's information is true immediately and take a prompt corrective action if the information is true. Protection of identity shall be applied to all workers including non-regular workers.
- Clear communication channels (complaints box, hotline, hot mail, third-party line, etc.) shall be in place to ensure that workers at suppliers and their key subcontractors are free to report violations or other issues.
- A procedure for workers to anonymously report suspected violations or other issues shall be established to prevent possible retaliation.
- Detailed procedures shall be in place to protect a whistleblower identity in the process of an allegation investigation.

3.5 Information Security

1) Definition

Suppliers shall make reasonable efforts to protect the personal information of everyone, including business partners, customers, consumers, and executives and employees, and the company's technology. In addition, Suppliers shall comply with information security laws and regulations in the collection, storage, processing, transmission, and sharing of information from individuals or companies.

In addition, as stability issues such as information and communication networks and other information assets held by organizations are emphasized, a system should be established to respond to external attacks such as information asset hacking, network intrusion, and situations that may occur in various disasters and risk factors, as well as failures caused by physical and human errors.

2) Guide

① Policy and Program

- A formal policy and program shall be in place to protect the personal information of everyone involved in business activities (including suppliers, customers, consumers, and executives and employees) and the company's technical information.
- The program shall meet personal information protection, information security laws and regulatory requirements in case of collecting, storing, processing and sharing personal information.
- Office security should be managed to prevent leakage of technical information due to failure of human control.
- Disasters in IT go beyond dictionary meaning and include various cases such as explosions caused by natural disasters such as earthquakes, typhoons, floods, and fires, disaster 3 system defects caused by external factors such as war, hacking, communication problems, and power supply cuts, mechanical errors, management

policy errors, and failures caused by internal factors such as user mistakes.

- Through the establishment of a disaster recovery system, risks must be managed by ensuring continuity of service and work even in disaster situations.

4. Management System

4.1 Company Commitment

1) Definition

Suppliers shall disseminate internally and externally their willingness to implement the Code or similar level of social responsibility. Suppliers shall share their willingness to implement the Code or similar level of social responsibility within the company through the management's New Year's address, internal guidelines, company bulletin board, etc. In addition, it is recommended that Suppliers announce the same outside the company by using its website, business report, and promotional materials, etc.

2) Guide

- Management shall sign a declaration that expresses its commitment to compliance with labor, health & safety, environment, ethics regulations and continual improvement.
- As for ethics, details described in corporate code of conduct or ethics regulations shall be included as follows:
 - General Ethics: conduct business with honesty/integrity (Ex: avoid conflicts of interest, stealing, extortion and embezzlement, protect corporate assets, compete fairly), protection of identity, non-retaliation (ex: whistleblower, anonymous reporting)
 - Legal Compliance: Anti-corruption or anti-bribery, anti-trust, privacy, intellectual property (IP) protection, responsible minerals sourcing
 - Operating Procedures: Accurate and transparent disclosure of information (Ex: accuracy of company records, accurate reports in account books and records, disclosure of information in accordance with law/prevailing industry practices)
- Corporate social and environmental responsibility policy statements

written in a language that all workers can understand shall be posted in the workplace or in-house intranet.

※ *In case of obtaining internationally recognized certificates such as ISO 14001 certificate in the areas of labor, health & safety, environment and ethics, it is considered to comply with management system standards for the relevant area.*

4.2 Corrective Action Process

1) Definition

The Supplier shall have in place a process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations and reviews.

2) Guide

- A process shall be in place to effectively rectify violation of regulations in the areas of labor, health & safety, environment and ethics checked through internal · external audits, assessments, inspections, investigations and reviews or violations of Samsung SDS Supplier Code of Conduct.
- A corrective action program and process shall include the following:
 - i) Corrective action reports/plans and progress management (including root cause analysis, corrective actions, a responsible person and completion schedule)
 - ii) In case a corrective action is not properly implemented, additional actions shall be taken to get the item back on schedule
 - iii) Completion of specific action items shall be verified by the management representative
 - iv) A relation between a corrective action plan and performance management objectives/targets
- Copies of all summons/violation notices including communications with government agencies shall be kept for at least three years.

- In case a summons was received, documents verifying that issues have been solved/closed shall be available and corrective and preventive actions for all similar cases in a company shall be taken.
- If an independent third party or the government agency did not check if an issue has been solved/closed, an auditor shall check if a relevant issue has been closed.

※ In case of obtaining internationally recognized certificates such as ISO 14001 certificate in the areas of labor, health & safety, environment and ethics, it is considered to comply with management system standards for the relevant area.

4.3 Supply Chain Responsibilities

1) Definition

All suppliers doing business with Samsung SDS have the same obligation to faithfully fulfill their supply chain responsibilities as Samsung SDS.

This is not only because Suppliers have social and ethical responsibilities as a corporate community by virtue of their participation in the supply chain, but also because it is possible to achieve more efficient and effective results through the efforts of the whole, not just the efforts of a single company.

Therefore, Samsung SDS and its Suppliers shall promise to voluntarily take part in social and environmental roles and responsibilities for the sustainable growth in the supply chain, and make efforts to establish healthier management systems.

Suppliers are responsible for ensuring that their subcontractors make efforts to implement the Samsung SDS Code of Conduct.

As required under this Code, this includes setting various requirements related to social responsibility in the selection and maintaining of Suppliers, and risk management through evaluation and due diligence so that their own sub-suppliers comply with the same.

2) Guide

① Policies and Procedures

- Suppliers shall set documented procedures for fulfilling this Guide.
 - Effective systems to deliver this Guide, purpose, philosophy, requirements, clauses, etc. to subcontractors.
- In addition, a formal communication which notifies their subcontractors of this Guide and its requirements exists, or requirements and clauses of this Guide shall be included in contracts signed with suppliers.
- This shall satisfy following details:
 - Supplier programs (identification of major suppliers, definition of major suppliers)
 - Communication programs for suppliers (meetings, e-mails, etc.)
 - Processes which notify suppliers of requirements of this Guide and monitor if suppliers comply with this Guide, etc.

Document History

Ver.	Description of changes
1.0	Initially released June 2020
2.0	Released Mar. 2021: Minor language changes
2.1	Released June 2021: Minor language changes
2.2	Released Dec. 2021: Occupational Safety, Hazardous Substances, Health and Safety Communication added
2.3	Released Jan. 2023 : Add new item : Supply Chain Diversity, Job training, Green purchasing, Information Security