

Brussels, July 8<sup>th</sup> 2019

***Samsung Electronics response to Business & Human Rights Resource Centre reports dated July 4<sup>th</sup> 2019 on ongoing investigation in France***

As a global manufacturer, Samsung Electronics values all of our employees around the world and complies with strict local and international labor standards and regulations, as well as requiring our suppliers to do the same.

We are aware of the legal complaint against Samsung filed by SHERPA in France. We are disputing its validity, and cannot comment further on the content of the investigation since this is an ongoing proceeding. We wish to remove any ambiguity created by the word "indicted" used in recent coverage about this issue. Samsung France has been put under examination, which means that the investigation is still ongoing and that no conclusive decision has been taken regarding the allegations brought by the NGOs against the company.

The issues highlighted by SHERPA date back several years, and concern reports or incidents to which Samsung has responded previously. We wish to share with you specifically how we have dealt and are dealing with Child Labor, responsible minerals as well as our commitments to uphold labor and human rights.

Samsung upholds a zero tolerance policy on child labor - both in our own facilities and the facilities of our suppliers. A zero tolerance policy means that child labor at any stage of our business will be considered as unacceptable and intolerable. We regularly audit our supply chain and if instances of child labor would be found in supplier companies, we adopt a zero tolerance policy and suspend transactions with them.

In this regard, we publicly announced our [Child Labor Prohibition Policy](#) in China in 2014. The policy was co-developed with Centre for Child Rights and Corporate Social Responsibility (CCR CSR) in China, which is owned by Save the Children Sweden. The policy is based on the 'UN Convention on the Rights of the Child', 'UNICEF Children's Rights and Business Principles', and 'ILO Convention'.

Accordingly, all of our subsidiaries and suppliers, and not only in China, must comply with the strict employment process (age verification) to prevent child labor employment. As part of our pledge against underage employment, we oblige all our suppliers in China to comply with hiring policies which require mandatory face-to-face interviews of all candidates and usage of an electronic device to detect fake IDs. Also, the company has expanded its facial recognition system throughout supplier workplaces to block the hiring of children through ID fabrication from the very earliest stages.

In particular, during middle and high school vacation, when minors often look for jobs, we continuously monitor twice a year whether our suppliers comply with the employment process by strengthening their on-site taskforce patrol activities.

In addition to those efforts, we have been reviewing the status of our use of cobalt according to OECD Due Diligence Guidance in Democratic Republic of the Congo.

As such, we have been investigating all cobalt smelters related to our company. We will continue to set clear guidelines for our suppliers and raise their awareness about responsible sourcing of minerals through educational training.

In addition, we are always seeking ways to work together with other global companies and are listening to the opinions of our stakeholders, including through our engagement with Responsible Minerals Initiative (RMI). Furthermore, we participate in a variety of global initiatives such as the European Partnership for Responsible Minerals, and have invested in an industry pilot project for sustainable cobalt mining (please refer to [2019 Sustainability Report](#), page 99).

At Samsung Electronics, our top priority is to ensure the health and safety of our 310,000 employees around the world. They drive our innovations and deliver them to customers.

Samsung's [labor and human rights policies](#) embrace the idea and value of international human rights principles and standards as set forth in the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPs), the guidelines from Organization for Economic Co-operation and Development for multinational corporations, the UN Convention on the Rights of the Child, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, and the laws of the countries where we conduct our business. Additionally, we abide by the code of Conduct of the RBA as a member of the Responsible Business Alliance.

Despite our best efforts and commitment to continuous improvement, issues can still arise and we do our utmost to remedy such issues and implement corrective action plans as per our responsibility. We rigorously monitor compliance in our facilities, consult outside experts and regularly examine our working practices to identify areas for further improvement.

One party alone cannot solve many issues we find in today's globalized, complex, supply chains. Samsung values the constructive collaboration and engagement with a broad variety of stakeholders to find sustainable solutions. We created [civilsociety@samsung.com](mailto:civilsociety@samsung.com) to improve stakeholder accessibility and dialogue.

We will strive to continuously improve our standards because we believe the success of our business comes from the success of our people.

Caleb Lee

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**Samsung Electronics**