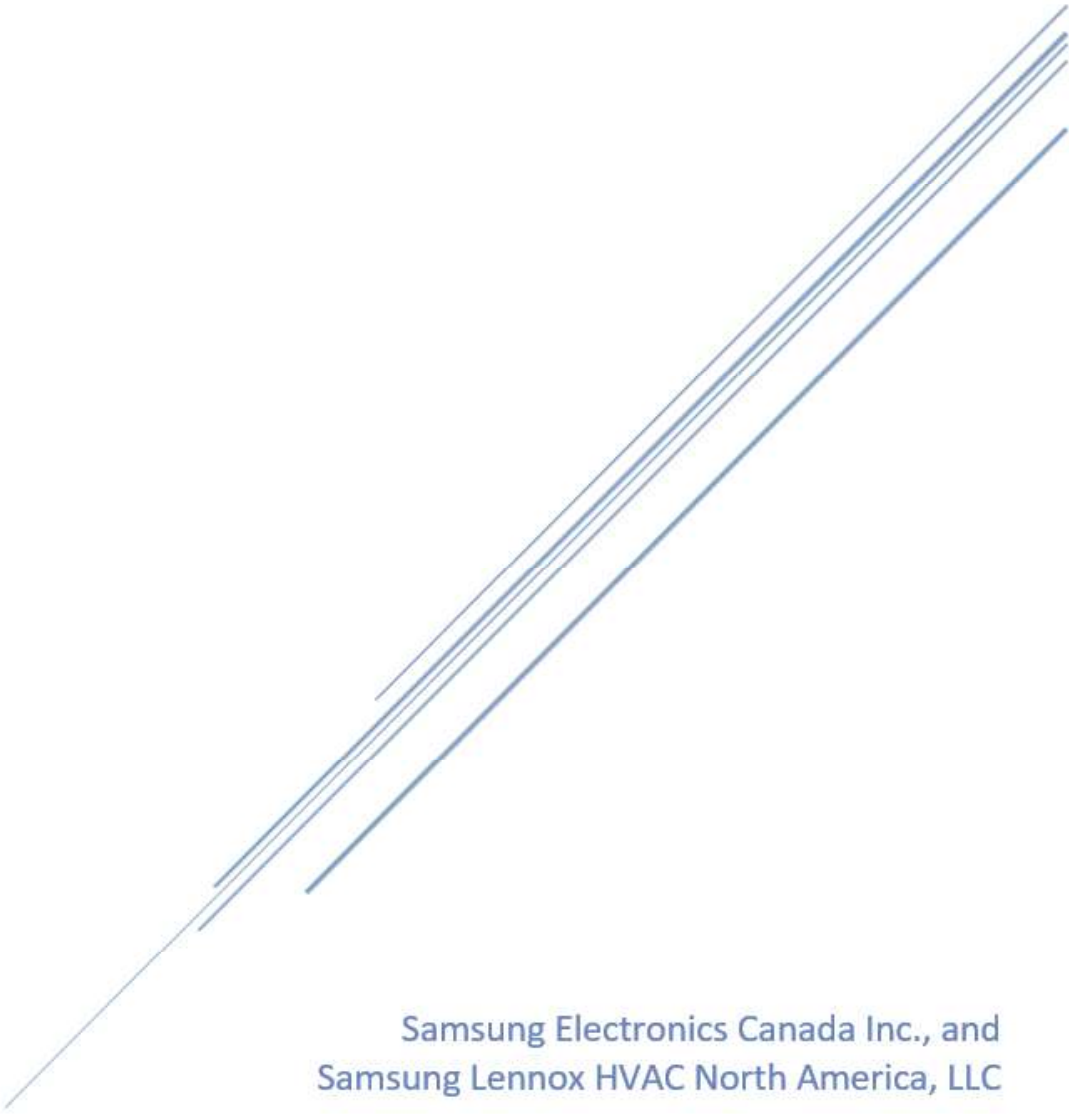


# FORCED AND CHILD LABOUR ACT REPORT

May 31, 2026.



Samsung Electronics Canada Inc., and  
Samsung Lennox HVAC North America, LLC

Conforming with the International Reporting on Modern Slavery, Forced Labour and Child Labour template, this report (the “Report”) is prepared on behalf of Samsung Electronics Canada Inc. (“SECA”), and Samsung Lennox HVAC North America, LLC (“SHVAC”).

**1. A description of the organisation’s structure, operations, activities and supply chains, including any organisations covered by this statement.**

SECA and SHVAC are subsidiaries of the global electronic products manufacturer and ultimate parent, Samsung Electronics Co., Ltd. which is headquartered in South Korea. Unless specified, references in this statement to “Samsung”, “our”, “us”, or “we” refer to Samsung Electronics Co., Ltd. (SECA’s and SHVAC’s parent company) and its subsidiaries.

Samsung is divided into two Divisions, Device eXperience (DX) and Device Solutions (DS), according to product characteristics, each of which is operated independently. The DX Division produces and sells finished products such as smartphones, network systems, computers, TVs, refrigerators, washing machines, air conditioners, and medical equipment, while the DS Division consists of the Memory Business, Foundry Business, and System LSI Business which produces and sells semiconductor components such as DRAM, NAND Flash, and mobile APs.

SECA is the Canadian entity within the Samsung global group, which is responsible for marketing, promoting, selling, and distributing Samsung products and services in Canada. During the financial year ending December 31, 2025, SECA’s principal activities consisted of being an importer, distributor, and retailer of electronic and electrical goods; the marketing of consumer electronics; the purchase and sale of components and capital equipment; the provision of research and development services to Samsung Electronics Co., Ltd.; being an importer and distributor of telecommunication systems; and the operations associated with its Canadian Head Office. SECA relies on other entities within the Samsung Group of companies to supply Samsung products to SECA. SECA’s operations are centred at its Canadian head office located in Mississauga, Ontario. As of December 31, 2025, SECA employed approximately 680 employees.

SHVAC is an American (majority but not 100% owned) subsidiary of Samsung which is responsible for marketing, promoting, selling, and distributing Samsung HVAC products to builders and HVAC technicians in the US and Canada. Because it is majority owned but a competitive joint venture, it and its employees/vendors are able to take advantage of parent offered services but the subsidiary does not have local versions of the parent processes; although, consideration of such are underway where appropriate for the subsidiary’s size and risk profile. During the financial year ending December 31, 2025, SHVAC’s principal activities consisted of being an importer, distributor, and retailer of HVAC in the US with customers that import into Canada. SHVAC relies on other

entities within the Samsung Group of companies to supply Samsung HVAC products to SHVAC. SHVAC's operations are centered at its US principal office head office located in Roanoke, Texas. As of December 31, 2025, SHVAC employed approximately 139 employees.

As of the end of 2025, Samsung Electronics owns 221 manufacturing sites, sales offices, R&D centers, and design centers worldwide, including 32 production sites and a workforce totalling 259,149 employees across 76 different countries. In 2025, Samsung invested approximately \$34.6 billion CAD in research and development.

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, and the Labor and Human Rights Council. This structure facilitates the supervision and management of human rights conditions across and at various levels of our business.

The Sustainability Committee under the Board of Directors supports the Board by closely monitoring relevant issues. The Committee determines priorities for sustainability strategies and incorporates human rights and other sustainability issues into the business decision-making process. The Sustainability Council, headed by the global CEO, reviews and manages company-wide sustainability issues collaboratively with the relevant leaders in charge of sustainability at Samsung headquarters and at each business unit.

In late 2025, the Supply Chain Sustainability Council was launched to discuss sustainability issues across our supply chain including our own employees, and being structured to address labour and human rights issues originally addressed in the Labor and Human Rights Council. The Supply Chain Sustainability Council consists of 8 departments including the Corporate Sustainability Center, People Team, Partner Collaboration Center, and Global EHS Office.

Each department participating in the Labor and Human Rights Council also actively conducts human rights due diligence to identify, prevent and mitigate human rights impacts that may have been caused or contributed to by our business operations. The Corporate Sustainability Center manages the overall sustainability agenda of Samsung and handles human rights-related issues by collaborating closely with relevant organizational units such as the People Team, the Partner Collaboration Center and Global Technology Research when necessary.

Supporting our success as a global leader in the manufacture of electronic and electrical products, Samsung is reliant on a network of 2,503 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's transactional volume.

## **2. A description of the organisation's policies in relation to modern slavery, forced labour and child labour.**

Samsung is committed to respecting human rights and freedom of all people. We strive to respect the principles of the following international standards as well as 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 initiative, we have also developed and strictly abide by our own set of internal policies, guidelines, and principles.

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

- Samsung Electronics Global Human Rights Principles (policy) (2023)
- Samsung Global Code of Conduct
- Business Conduct Guidelines
- Global Purchasing Code of Conduct

- Samsung Supplier Code of Conduct and Supplier Code of Conduct Guide
- Global Grievance Resolution Policy (2024)
- Child Labour Prohibition Policy
- Anti-Discrimination and Harassment Policy
- Migrant Worker Policy
- Student Worker Policy in China
- Guidelines for Apprenticeship in India

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

### [Samsung Electronics Global Human Rights Principles](#)

In February 2023, we announced our Global Human Rights Principles (the “Policy”) that highlight our respect for human rights and that are 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 reaffirms our promise to prevent human rights abuses and to take effective remedies for those affected if and where harm is caused by and through our business activities. Forced and child labour, and modern slavery are some of the salient human rights risks identified by Samsung for its supply chain. In the Policy document, we point out further commitments that expand the scope of our commitment to human rights which now encompass a wider set of rights-holders. These rights-holders 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 that apply to all Samsung Electronics employees. They act as a guide for employees to adhere to when conducting all business activities.

Our Global Code of Conduct details the aforementioned five business principles and what these mean specifically to Samsung and its employees. It clarifies our detailed principles on work environment; employment conditions; grievance handling; equality and diversity; child labour and forced labour, and other areas to help our employees execute their day-to-day tasks in a manner that ensures the protection of human rights. Through the guidelines set out in 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 specify that we have a

zero-tolerance policy towards any forms of child labour at any stage of our business.

#### SECA Code of Conduct

Additionally, on a local level, the same core principles and employee conduct expectations are set out and enforced through the SECA Code of Conduct. This policy details ethical behaviours and expectations of SECA that apply to all of its employees across Canada. The SECA Code of Conduct also sets out a requirement to comply with national and provincial laws governing employment and non-discrimination or harassment in the workplace, and prohibits the use of human trafficking, child labour, or any form of forced, indentured, or involuntary labour in any of SECA's operations or at any of its properties.

#### SHVAC Code of Conduct

Additionally, on a local level, the same core principles and employee conduct expectations are set out and enforced through the SHVAC Code of Conduct. This policy details ethical behaviours and expectations of SHVAC that apply to all of its employees. The SHVAC Code of Conduct provides that we are dedicated to providing a work environment that is healthy, safe, and secure for all and that we comply with all health and safety laws and regulations that apply to our work. We further state that we are committed to complying with laws and regulations that help protect human rights and the safety of children. We do not tolerate or permit human trafficking or the use of child labour or any form of forced, indentured, or involuntary labour in any of our operations.

#### Business Conduct Guidelines

The [Business Conduct Guidelines](#) emphasise the importance of Samsung Electronics employees, who are ambassadors for the brand, to uphold Samsung's standards 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 on making sound ethical 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 key requirements from applicable regulations and guidelines on purchase-related tasks and ethical obligations of employees in charge of purchasing.

#### 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. We update our Supplier Code of Conduct periodically to reflect revisions to the RBA Code of Conduct and other global norms and require our suppliers to comply with the same. The [Supplier Code of Conduct](#) and the

[Supplier Code of Conduct Guide](#) are mandatory commitments built into all contracts with Samsung suppliers.

#### Global Grievance Resolution Policy 2024

We established the [Global Grievance Resolution Policy](#) in April 2024 to ensure grievances are handled in a fair and consistent manner globally. The policy provides an overview of our grievance channels, handling procedures, and principles. In order to minimize gaps between the policy and actual operations, we reviewed the current status of grievance handling operations at our global and domestic business sites and those of our subsidiaries and all organizational units that handle grievances. Additionally, we established and released our first Global Grievance Resolution Policy which was completed through the collection of the opinions of our internal and external stakeholders such as employee representative bodies, international human rights organizations and grievance handling institutions.

Samsung is committed to providing access to the grievance process to the affected individuals or groups via our grievance channels in the event that the company causes or contributes to negative impacts on the rights of individuals or groups. The company's grievance channels are available to all employees of Samsung, all partners in our value chain, consumers, civil society, and everyone else who has a legitimate concern regarding actual or potential adverse impacts caused or contributed to by Samsung. We are committed to promptly investigating allegations and providing fair and effective remediation by ourselves and/or in cooperation with other stakeholders.

The Global Grievance Resolution Policy sets out grievance channels for different categories of stakeholders, outlines Samsung's grievance handling procedure, principles of grievance handling as well as how Samsung is ensuring the implementation and effectiveness of the policy in line with the UNGP effectiveness criteria.

In January 2025, guidelines for complying with the Global Grievance Resolution Policy were distributed to global business sites to ensure effective implementation. Each site conducts new employee training and regular human rights training regarding the company's grievance handling policies and operational channels in languages employees can understand, ensuring that employees are aware of available policies and channels.

Also in January 2025, staff members dealing with grievances were put in place at sales offices and research centers globally. Additionally, staff members dealing with grievances including new hires were trained on the grievance policy and guidelines. This training ensured that the company's grievance mechanisms meet the effectiveness criteria set out in the UNGPs.

Samsung operates various grievance channels, including online, offline, hotlines, and worker representative bodies. We operate a minimum of 2 channels per business site, of which at least 1 channel guarantees anonymity, ensuring that not only employees but also supply chain workers, NGOs, and others can raise grievances. We newly created grievance handling channels by continent in June 2025. Employees may use not only their respective business site grievance handling channel but also that operated on the continental level, and may raise objections if their respective site's grievance handling results are unsatisfactory.

Samsung conducts annual assessments on the status of grievances received through its grievance channels to track the number, types, and trends of grievances. In April 2025, we conducted training and self-inspections for our policies and guidelines. We analyzed the types of submitted grievances and overall resolution process in order to better our operations by site and train our staff responsible for grievance resolution.

Samsung conducts an anonymous annual survey on grievance resolution to manage the utilization of grievance channels by employees, their trust in the process, and the outcomes. The survey assesses grievants' awareness of and satisfaction with the grievance channels. Additionally, we verify whether local grievance channels are operated in accordance with the effectiveness criteria of the UNGPs as committed to in our grievance policy. Employee satisfaction surveys regarding grievance resolutions were primarily performed at DX Division manufacturing sites, but expanded in 2025 to include DX Division overseas sales sites and research centers. The employee satisfaction surveys will be performed annually to improve our grievance resolution policies and guidelines, as well as tracking our training performance.

SECA is taking steps to adopt a localized version of the Global Grievance Policy with implementation scheduled to occur before the end of 2026.

#### [Child Labour Prohibition Policy](#)

Samsung has a zero-tolerance policy on child labour as prohibited by international standards and national regulations in all stages of its global operations. The Samsung [Child Labor Prohibition Policy](#) applies to all of Samsung's worksites as well as suppliers, including third party recruitment agencies, and sets out strict rules against the employment of children and for the protection of young people at Samsung worksites and at worksites of its suppliers.

Special protection is provided for young workers who should not perform hazardous work, or engage in overtime or night shift work. Samsung works with various stakeholders and implements a variety of partnerships and programs to address root causes of child labour, including remediation programs intended to provide financial support to enable a child to remain in the agreed-upon remediation program until they reach the minimum working age.

Samsung is an active member in the ILO Child Labor Platform to collaborate with companies across sectors, NGOs, trade unions, governments and other UN organisations in the eradication of child labor through peer learning, local collective engagement and exchange of experience.

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

Samsung respects all individuals' right to work in an environment free of discrimination and bullying. In March 2022, Samsung incorporated already existing anti-harassment guidelines into a formal policy, and published the global [Anti-Discrimination and Anti-Harassment Policy](#). We pledge to remain committed to fostering a workplace where our employees are valued and treated with respect, are offered equal opportunities and are motivated to both achieve and show their competence.

#### [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. Our [Migrant Worker Policy](#) was first released in 2016 and updated in 2020 to better protect the rights of migrant workers.

To facilitate the implementation of this policy, we developed the Internal Guide for Migrant Worker Policy, which consists of 14 sections from recruitment to employment contract termination based on the guidelines of RBA, Business for Social Responsibility (BSR), and the Institute for Human Rights and Business (IHRB). We require our production sites, suppliers, and recruitment agencies to monitor the ILO forced labour indicators and faithfully implement our Migrant Worker Policy and Internal Guide for Migrant Worker Policy.

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

Samsung hosts annually a global labour and human rights stakeholder meeting, bringing together experts from the ILO, OHCHR, NGOs and labour rights organisations as well as business groups. The aim is to discuss our approaches to labour and human rights, to identify potential risks and develop mitigation measures. The workshops took place in 2023 at the Samsung European HQ in London, in 2024 at the production site in Budapest and in 2025 in Samsung Germany in Frankfurt. Additionally, Samsung organises annually regular regional stakeholders' meetings to identify regional risks, present labour rights approaches from subsidiaries in the region and to identify possible further measures.

**3. A description of any risk management processes in place to assess and address the risk of modern slavery, forced labour and child labour practices in the reporting organisation's supply chains.**

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 next year and those suppliers rated outstanding are provided additional benefits such as extra points in the comprehensive evaluations and cash rewards.

We perform comprehensive annual evaluations on our suppliers based on transactional 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.

Samsung requires suppliers to conduct voluntary assessments based on Evaluation Metrics provided by Samsung. Suppliers complete a self-audit to voluntarily discover and improve shortcomings, while Samsung provides risk monitoring feedback. By the end of the year, the results of the self-audits are announced, and Samsung supports suppliers who have established an improvement plan. In 2025, we conducted or assisted 92% of our suppliers in conducting comprehensive evaluations of their operations. Overall, 75% of suppliers were found outstanding in their compliance with Samsung policies and for their own risk management practices. Only 1.2% of audited suppliers achieved a finding of needing improvement. Samsung is working with these suppliers to implement their improvement plans.

Samsung has developed an RBA-based self-assessment tool for all our suppliers to use annually. We encourage them to obtain certifications related to international standards in corporate social responsibility such as ISO, SA8000, etc., and monitor their progress through self-assessment.

Since 2022, we have also adopted the RBA's updated self-assessment standards to make it easier for suppliers to respond to audits by Samsung, and to grievances that are reported by their workers.

We actively identify supplier risks in areas like recruitment fees, forced labour, child labour and industrial accidents. We also conduct on-site audits, monitor for improvements at suppliers with potential violations and seek their input to improve our self-assessment system and reflect their feedback in subsequent assessments.

Our dedicated organizational unit consisting of RBA-certified auditors also conducts on-site audits of our suppliers. We review their documents thoroughly, including wage information, contracts, and policies, and perform interviews of their employees (a minimum of square root of the total number of employees), engaging both working level staff and managers during the audits. We require each supplier to submit its improvement plan and results, and our country/region-specific staff in charge reviews them along with the supplier's employees or representatives.

We conduct third-party audits every three years on the top 90% of our suppliers and some additional high-risk suppliers. Initial audits are conducted by RBA-certified third-party audit firms, in accordance with Samsung's Supplier Code of Conduct and based on RBA criteria and processes. Any improvements that can be made immediately after initial audits are corrected on site and the implementation of improvements is confirmed through closure audits.

#### Samsung's Salient Human Rights Impacts

To identify actual and potential human rights impacts, Samsung conducts various assessments including self-audits at its workplaces, third-party audits based on RBA standards and human rights impact assessments using external human rights experts. We also 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 that are important to Samsung and disclosed them in the [Samsung Electronics Global Human Rights Principles](#).

In 2024, Samsung conducted Human Rights Risk Assessments (HRRAs) on a regional basis accumulating the assessment results of its subsidiaries for 52 DX Division subsidiaries across Europe, the Middle East, North America, Latin America, and Asia. Samsung's HRAA process includes the following:

- Taking steps to assess salient human rights risk by site by region and considering the seriousness of the risk and the likelihood of occurrence.
- Generating regional human rights risk heat map based on assessment results to distinguish the level of risk.
- Operating regional workshops to discuss the human rights risk heat map and the appropriateness and applicability among regional subsidiaries.
- Communicating with external stakeholders in order to discuss and finalize a regional human rights risk heat map.

Samsung has assessed the seriousness of each salient human rights risk by determining the level of possible negative impact on an individual or a community,

the number of people impacted and the possibility of resolving or remedying the negative impact. As the final step of the HRRRA, we engaged with external stakeholders, including experts from international organizations, NGOs and academia, to gather feedback and discuss the measures to address human rights impacts in each region. We distributed these updated measures to all business sites in the 5 regions in December 2024.

To ensure effective implementation of the response strategies, regional workshops were held in March 2025. During these workshops, best practices from business sites that had successfully implemented the measures were shared, while challenges encountered during implementation were discussed. The workshops supported each site in diligently carrying out its human rights risk management plans. In Q3-Q4 2025, Sales and R&D Subsidiaries globally conducted a human rights self-assessment. These self-assessments were accompanied by trainings for relevant staff. The self-assessments are conducted on an annual basis and will be conducted again in Q3 2026. We analyze the results of the assessments and necessary follow-up action is taken by Samsung to address any identified gaps.

#### 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 that is topic-specific.

#### 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 UNGPs. Evaluation indicators consist of 4 major categories—labour rights, organizational culture, working environment, and diversity, equity, and inclusion—covering 33 items and 132 detailed indicators. Each site conducts yearly self-evaluations and relevant staff visit sites requiring improvement to conduct HRRAs. Samsung started conducting BHRB evaluations for manufacturing sites in 2023. We issued consulting reports for each site, providing guidance on areas requiring improvement. In 2025, we conducted pilot assessments for 47 overseas manufacturing sites using BHRB evaluation indicators. We plan to further identify site specific improvement items based on evaluation results, and improving on our human rights management practices.

#### 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, as well as review 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. The assessment includes interviews with vulnerable groups within sites such as women, migrant workers, and minor workers as well as interviews with local external stakeholders. The assessment evaluates potential and actual human rights impacts resulting from business activities for internal/external rights holders including vulnerable groups, develops measures to prevent, mitigate, and address identified impacts, and tracks their implementation.

The 2025 assessment comprehensively considered BHRB evaluation results and labour and human rights risks for 6 sites. Initial and on-site inspections were carried out over approximately 3 months; confirmed issues were immediately addressed and processes and systems to prevent recurrences were implemented.

#### 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 production sites that employ migrant workers (see more information below) 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 against female employees in the workplace.

#### RBA Third Party Validation (Validated Assessment Program)

As a member of the Responsible Business Alliance, Samsung is committed to complying with the RBA Code of Conduct. We conduct RBA self-assessments at our production sites every year, and conduct on-site audits based on the RBA's third-party audit (VAP) standards at least once every two years at all of our sites, not just the high-risk sites defined by the RBA. Production sites that are found to be non-compliant are required to develop a corrective plan to improve the findings and implement systems to prevent reoccurrence, which plan is approved by the inspection experts, and then the approved corrective plan is completed within the timeframe set by RBA standards.

#### RBA third-party audit results in 2025

- DX Division: 12 facilities audited
- DS Division: 3 facilities audited

Eleven out of the fifteen sites earned the full score of 200 points, achieving the Platinum grade, the highest level in the RBA VAP Recognition Program. For some manufacturing sites with findings of non-compliance or areas of concern in labour and occupational health and safety, all corrective measures were completed.

### Access to Remedy

Samsung remains committed to thorough due diligence to prevent our business operations from causing or contributing to any adverse impacts on human rights or engaging in human rights abuses. All complaints or grievances filed by individuals or groups that are adversely affected by our business operations are promptly investigated and effective remedies are implemented.

In April 2024, we established and published the Global Grievance Resolution Policy. Following this, we developed guidelines to ensure the policy's effective implementation and distributed them to all subsidiaries worldwide. Furthermore, in January 2025, we appointed dedicated grievance resolution personnel at sales subsidiaries and research centres lacking clear grievance channels and governance systems. We also provided training on our grievance resolution policy and guidelines to all grievance resolution personnel worldwide, including those that have been newly appointed. This training is aimed at ensuring that our grievance mechanism operates in line with the effectiveness criteria for non-judicial grievance mechanisms outlined in the UNGPs.

Samsung offers a variety of grievance channels in various languages for individuals or groups that can be adversely affected by our business operations. A complainant may report a grievance anonymously or choose to be identified. We are committed to upholding the confidentiality of the grievance and protecting the complainant in all cases. At the same time, we do not tolerate retaliation against the complainant in response to filing a grievance. Reported grievances are assigned to different organizational unit(s) based on the nature of the grievance and, if necessary, several organization units work together in deciding on effective remedies.

While grievances are generally processed in the order of when they are received, higher-priority complaints are dealt with in an urgent manner due to their severity in line with the UNGPs requirements, considering that delayed responses could lead to irremediable harm. The grievance procedure consists of four steps – receipt, investigation, notification, and resolution – and the goal is to handle and close grievances within three months. However, depending on the characteristics of the grievances such as where the grievance involves external stakeholders or possible violations of the law, the procedure may take more than three months and there may be changes to the procedure itself.

### Samsung Culture Index

We also conduct the Samsung Culture Index (SCI) survey each year for our employees around the world to evaluate our organizational culture. We review if

problems are properly remedied and receive feedback through post-consulting satisfaction surveys. The SCI assessment covers three areas: ‘Enjoyable Work,’ ‘Colleagues Working Together,’ and ‘Proud Company.’ Each area includes Outcome questions to gauge the health of the organizational culture and Driver questions to identify improvement points, making it easier to discover and address issues specific to each organization. In 2025, employees from a total of 136 sites worldwide participated in the SCI assessment.

#### Other Channels

We also promote external stakeholders’ grievance communication channels. We operate a global communication address ([sustainability.sec@samsung.com](mailto:sustainability.sec@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. In 2025, a total of 16,460 cases were submitted, of which 99.8% were addressed, closed or remediated as of the end of December 2025.

At a local level, SECA 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 SECA’s internal procedures.

SHVAC offers its employees the opportunity to report any compliance issues through anonymous use of the phone line of Samsung Electronics America, Inc. All grievances are then forwarded to SHVAC General Counsel and investigated.

#### **4. A description of the organisation’s due diligence processes in relation to modern slavery, forced labour and child labour in its supply chains. In addition, a description of any measures taken to remediate any instances of modern slavery, forced labour and child labour in its supply chains.**

##### a) Policies and Standards

Complementing the Policy and other human rights related policies, Samsung requires its suppliers to adopt our Supplier Code of Conduct and Guidelines which is based on international human rights principles and which sets out social, environmental and ethical industry standards.

We demand prompt remedial action for any violations related to our top priorities, such as the prohibitions of child labour and forced labour and the imposition of penalties on those suppliers found to have committed violations during our comprehensive evaluations.

## b) Human Rights Due Diligence

### *i. First Tier Suppliers*

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

Samsung implemented and now operates a sustainability management reward program in 2023, where suppliers who have been determined to have performed well are provided incentives such as cash rewards. In 2025, a total of six suppliers were rewarded in the areas of environment, social and fair trade.

We perform comprehensive annual evaluations on our suppliers based on transactional 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. In 2025, 122 first-tier and 39 second-tier suppliers underwent third-party audits.

### Self-Assessment

Since 2022, we have also adopted the RBA's updated self-assessment standards to make it easier for suppliers to respond to audits by Samsung, and to grievances that are reported by their workers. In 2025, 2,190 suppliers conducted self-assessments based on Samsung's framework. Of these, 24 suppliers completed their own on-site audits.

### On-Site Audit

Our dedicated organizational unit consisting of RBA-certified auditors conducts on-site audits of our suppliers. We require each supplier to submit its improvement plan and results, and our country/region-specific staff in charge reviews them along with the supplier's employees or representatives.

We guide suppliers to take immediate remedial actions on site if possible and monitor whether they have taken remedial actions within three months from the registration of the improvement requirements. We monitor facility installation, certification, and other matters that require extended time and significant expenses over a longer term based on the respective supplier's improvement plan. We demand suppliers found to have committed violations of the RBA audit criteria or in our priority areas, including violations of Samsung's prohibition of child labour and forced labour, to take immediate remedial actions and we impose penalties during our comprehensive evaluations as necessary.

We also operate a working-hours monitoring system to ensure that our suppliers comply with our work hours requirements. Through this system, we review the average working hours and maximum working hours of our suppliers' employees at different business sites on a monthly basis and rate them in accordance with the seriousness of non-compliance if applicable and as necessary.

In 2025, 387 key suppliers were audited across both the DX and DS Divisions using the RBA assessment criteria and implemented corrective actions where necessary, resulting in a final compliance rate of 95.5%. The DX Division also conducted on-site audits for approximately 400 major second-tier suppliers of key first-tier suppliers. Meanwhile, DS Division audited 30 suppliers focusing on the Samsung China Semiconductor (SCS) Corporation, carrying out corrective measures and achieving a final compliance rate of 99%.

#### Special Audits to Eliminate Forced Labour

In 2025, we conducted special audits regarding forced labour of migrant workers on 47 suppliers in five countries in Southeast Asia and Europe, namely Malaysia, Hungary, Slovakia, Poland, and Thailand using the Specialty Validates Assessment Program (SVAP), RBA's specialized forced labour program. The audits assessed 22 items, including on-site audit of recruitment agencies, possession of recruitment agency contracts by first-tier suppliers, recruitment fee reimbursement, local language contracts and pay stub provisions, pre-departure introductory training, and remediation procedures and record-keeping.

In 2025, Samsung reimbursed \$960 USD worth of recruitment fees to two migrant workers as a result of these special audits.

#### Special Audits to Eradicate Child Labour

In addition to our on-site audit programme, we conduct special audits of suppliers to assess them for compliance with the Samsung Child Labour Prohibition Policy. We maintain zero tolerance for child labour in our suppliers and perform special audits of their recruitment practices every year to eliminate child labour.

Since 2015, we have hosted, on an annual basis, a range of compliance and human rights workshops and training sessions for the heads and working-level staff of our suppliers. In 2025, Samsung conducted special audits to eradicate child labour. Audits on 131 first-tier suppliers and 30 second-tier suppliers during middle school and high school vacation periods were completed. None of the audited suppliers were found to have recruited child workers but four suppliers had deficiencies in their recruitment processes including a lack of facial recognition protocols for identification and insufficient student worker protection policies in contracts. These suppliers have since taken measures to improve upon these deficiencies.

### Third-Party Audit

We conduct third-party audits on our suppliers with high transaction volumes and those identified as high-risk<sup>1</sup> through due diligence following a risk-based approach. High-risk suppliers are mandated to undergo third-party audits the following year to ensure rigorous oversight, while high-volume suppliers are audited on a biennial cycle. Suppliers are immediately listed for third-party audits if they require urgent verification of potential or actual human rights risks, such as forced labour, following concerns raised by NGOs or other external stakeholders. Initial audits are conducted by RBA-certified third-party auditors, in accordance with RBA Validated Assessment Program standards and processes<sup>2</sup>. While any issues that can be addressed immediately after initial audits are remediated on-site, the resolution of all remaining issues is verified through subsequent closure audits.

In 2025, Samsung conducted third-party audits for 122 first-tier suppliers<sup>3</sup> and 39 second-tier suppliers<sup>4</sup>. A total of 2,911<sup>5</sup> workers participated in employee interviews. Off-site interviews were conducted for 31 workers at four first-tier suppliers and 83 workers at six second-tier suppliers in countries such as South Korea, Vietnam, and China. To ensure we captured candid feedback, these interviews were held at off-site locations, such as nearby parks and coffee shops, maintaining strict discretion to protect worker safety and security.

Suppliers understood the purpose of the external interviews and actively cooperated, and participating workers positively reported that the off-site format allowed for more candid sharing of perspectives compared to on-site interviews. While some workers noted no significant difference compared to interviews conducted in designated spaces within company premises, others expressed slight concerns regarding the travel time required during working hours.

#### *ii. Lower Tier Suppliers*

We require our first-tier suppliers to manage the work environments of their subcontractors in compliance with our internal work environment policy. For subcontractors with issues deemed by Samsung to be of serious concern, we monitor via our first-tier suppliers whether they have successfully implemented remedial actions as required.

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<sup>1</sup> Insufficient self-assessment performance, failure to remediate critical violations from prior on-site or third-party audits, and the presence of potential or actual geopolitical risks such as forced labour.

<sup>2</sup> Document review (employee salary information, contracts, policies, etc.), worker and manager interview (sampling a minimum of the square root of the total headcount), on-site audit (initial audit, closure audit), and subsequent remediation.

<sup>3</sup> 99 suppliers in DX Division and 23 in DS Division.

<sup>4</sup> Only applicable to DX Division.

<sup>5</sup> DX Division 1,914 and DS Division 997.

In addition, Samsung is expanding its management scope not only to first-tier suppliers but also to second-tier and non-manufacturing suppliers. In 2024, we updated the Supplier Code of Conduct, requiring first-tier suppliers to conduct due diligence on their sub-suppliers, where legally permissible. This makes them responsible for any improvements through the implementation of RBA standards or standards provided by Samsung to the extent that it does not violate the laws of the relevant country. The third-party audits for sub suppliers, introduced in 2023, continue to expand their target. When critical issues at sub suppliers are identified, we collaborate with first-tier suppliers to monitor the situation until corrective actions are completed. In addition, we have extended the existing hotline, originally available to first-tier suppliers, to second-tier suppliers to address grievances raised by their employees.

Near our Suwon business site in Korea, Samsung offers capacity building programs which are free of charge to our first-tier as well as second-tier suppliers which cover topics including supply chain due diligence.

In 2025, Samsung conducted third-party audit for 39 second-tier suppliers in Asia, including Vietnam, Samsung's main production base.

### *iii. Vendor Management*

SECA has its own [Vendor Code of Conduct](#) (the “Code”) that is applicable to all vendors and suppliers. The Code is written into all vendor contracts and is made mandatory. Vendors are required to abide by all applicable employment laws and human rights laws for their region and the use of any form of forced labour or child labour is strictly prohibited. Vendors are required to self-monitor their compliance with the Code and SECA offers to vendors an online reporting mechanism for anyone who wishes to report a possible violation.

SECA expects all vendors and their employees to take steps to help prevent, mitigate and remedy actual or suspected occurrences of forced or child labour within SECA’s business operations and broader supply chains. Vendors are required to abide by all local labour laws and to self-monitor and report any suspected violations.

### *iv. Responsible Minerals Management*

We strive to minimise any possible adverse impacts of mineral mining, including human rights abuses, child labour exploitation, sexual violence and environmental destruction. We take human rights and environmental issues related to mineral mining in conflict-affected and high-risk areas, such as some African countries, very seriously. To address these risks, we use responsible minerals in strict compliance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

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.

c) 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 via telephone and email, among other channels, to complement on-site audits. Our organisational unit dedicated to grievance handling handles grievances in line with our internal protocols and timelines and monitors suppliers to ensure that they take remedial actions as necessary. To monitor whether the reported grievances are being remedied effectively, we carry out informant satisfaction surveys since 2020. The [Grievance Channels](#) are outlined on the Samsung Global website.

If a child labourer is found at the workplace, the supplier is required to immediately stop the child from working and to notify Samsung. With regards to the child protection program, if a child and their family consent to attending school, the supplier is required to support educational fees and living expenses corresponding to the minimum wage until the child becomes the legal minimum working age in their respective country, and offer the child an opportunity to become re-employed after achieving the legal minimum working age.

**5. A description of the training provided to employees on modern slavery, forced labour and child labour.**

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 wide range of different labour and human rights trainings annually, tailored to different target groups.

Since 2020, Samsung has designated approximately 70 staff in human resources, labour relations, and training roles at our global locations as 'Human Rights Champions' and conducts training to share the importance of corporate human rights, respect and best practices. In 2025, the Human Rights Champion training invited ILO experts to cover topics such as the ILO Declaration on Fundamental Principles and Rights at Work and grievance policies.

In 2025, we conducted training and capacity-building activities to guarantee workers' rights. We provided unfair labour prevention training to approximately 2,100 department heads in Korea and labour law training to approximately 7,000 middle managers. Additionally, HR and labour- management practitioners in Korea completed training on conflict management and negotiation to enhance their capabilities. We conducted training on fundamental labour rights and freedom of

association led by ILO experts for approximately 70 labour-management and training managers at overseas locations, and labour-management department heads from manufacturing subsidiaries attended workshops organized by headquarters to receive professional training from international labour and human rights experts.

Samsung also conducts human rights trainings for all employees annually. The company-wide human rights education covers understanding human rights, the corporate responsibilities to respect human rights, integrating the respect for human rights throughout business activities, employee rights in the workplace, and employee respect towards human rights. In manufacturing sites, mandatory human rights training for all employees includes both offline and online courses, with the offline sessions conducted in the local languages. In 2025, 97.5% of all employees globally completed the training for general employees, with online and offline completion rates of 95.6% and 100%, respectively.

Starting in 2025, tailored human rights training was provided to due diligence officers at overseas production sites, sales locations, and research centers to meet strengthening global due diligence requirements. The 2025 due diligence officer training covered information confirmed during the HRRAs of 2024 conducted for key countries as being effective for risk mitigation and human rights policy execution.

In 2025, SECA participated in Global Human Rights training which was mandatory for all SECA 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. SECA achieved a 99.5% completion rate. Also in 2025, SECA continued to include information on Human Rights, the Report, and the Forced Labour and Child Labour Act into its mandatory annual compliance training. This compliance training covers a variety of topics for Canada including, amongst others, anti-competitive behaviour and deceptive marketing practices. SECA achieved a 100% completion rate for its mandatory compliance training in 2025.

**6. A description of how the organisation assesses the effectiveness of the actions it has taken to prevent and respond to modern slavery, forced labour and child labour, and its due diligence processes.**

Samsung is committed to respecting the human rights and freedom of all people. Our continued due diligence through the use of the variety of policies and procedures outlined above and their impact on the Samsung supply chain, allow Samsung to remain informed about any instances of non-compliance with labour laws, Samsung labour-related policies or human rights violations. Samsung's annual audits permit for continuous improvement in processes and for updates to policies where necessary due to violations of our policies, or changes in global labour laws or expectations. We are able to review relationships with suppliers by gathering data on grievances or supplier practices on an annual basis. Comparing year over year data allows us to easily

identify any patterns that may occur with specific regions or specific suppliers, and to make changes accordingly.

The SCI Survey allows for Samsung to gather information on the employee culture for more than just subsidiaries located in high-risk areas, or that are considered suppliers or manufacturing facilities. The SCI Survey includes data from sales subsidiaries all over the world, and helps Samsung continue to make improvements to policies and employee management where necessary.

The continued decrease year over year in prevalence of recruitment fees paid by migrant workers is a salient example of the effectiveness of Samsung's continued monitoring of its suppliers and their operations. Enforcement of Samsung's Migrant Worker Policy, including the prohibition of recruitment fees, upon our suppliers and effective training have led to this decrease.

Samsung continues to work closely with suppliers to ensure compliance with our policies, with local labour laws, and respect for human rights.

## Management Approval

Samsung employees are responsible for maintaining high ethical standards and conducting business with integrity. Samsung's employees are ambassadors of our brand, and we seek to ensure that Samsung's standards of corporate social responsibility, integrity and accountability are upheld by everyone in the global supply chain. This annual Report, highlights both Samsung's and SECA's commitment to respecting and protecting the human rights of all people and ensuring that these values are at the core of all of our labour practices and business operations.

This Statement was approved by the Board of SECA on May 31, 2026. It complies with the requirements set out in the Forced Labour and Child Labour Act.

In accordance with the requirements of the Forced Labour and Child Labour Act, and in particular section 11 thereof, I attest on behalf of SECA, that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate, and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full name: Yeong Guk Kim

Title: Samsung Canada CFO

Date: May 28, 2026

Signature: \_\_\_\_\_ 

I have the authority to bind Samsung Electronics Canada Inc.

In accordance with the requirements of the Forced Labour and Child Labour Act, and in particular section 11 thereof, I attest on behalf of SHVAC, that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate, and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

I have the authority to bind Samsung Lennox HVAC North America, LLC.