SAMSUNG

2024

Samsung Electronics Nordic AB

Sustainability Report

01

Introduction

About the report

As a leading global company, Samsung Electronics Co. Ltd, South Korea (hereafter referred to as “Samsung”) published an Environmental Declaration in 1992 and have reported performance publicly since 2000. An annual global sustainability report has been published since 2008.

Samsung Electronics Nordics AB (“Samsung Nordic”) has produced a Nordic version of the report every year since 2017. The Nordic report for 2024 is derived from the global 2024 report and incorporates updated information specific to the Nordic affiliate.

While Samsung’s sustainability efforts are global, we also maintain a local approach. Therefore, in this report, we will discuss and highlight initiatives at both global and Nordic levels.

This sustainability report presents data for Samsung Nordic from January 1 to December 31, 2024 and refers to Sweden, Norway, Finland, and Denmark, unless otherwise stated.

This sustainability report has been prepared in accordance with Chapter 6 of the Swedish Annual Accounts Act (Årsredovisningslagen).

This is Samsung

Samsung aims to be a first-class company that contributes to society by creating quality products and services based on a talented workforce and advanced technology. To do this, we are guided by our global code of conduct, our business principles and our core values. Read more about them at Samsung's policies and documents.

Samsung in numbers:

- → **76** countries in which we operate
- → **267,860** employees globally
- → **32** manufacturing sites globally
- → **40** research and development centers
- → **€19.81** billion euro invested in R&D annually
- → **1992:** Samsung Nordic began its operations
- → **4** offices in the Nordics
- → **391** employees in the Nordics

Key values

People

Samsung is committed to becoming a socially and environmentally responsible corporate citizen in all of its communities worldwide.

Excellence

Everything we do at Samsung is driven by an unyielding passion for excellence and an unfaltering commitment to develop the best products and services on the market.

Change

Samsung is committed to becoming a socially and environmentally responsible corporate citizen in all of its communities worldwide.

Integrity

Samsung is committed to becoming a socially and environmentally responsible corporate citizen in all of its communities worldwide.

Co-prosperity

Samsung is committed to becoming a socially and environmentally responsible corporate citizen in all of its communities worldwide.

A message from our President

I believe that we are all aware that the world is facing a multitude of difficulties, and 2024 was no exception. The importance of adopting a proactive stance has never been greater and this report serves as a tool to communicate examples on how we at Samsung Nordic are adapting our business. As the newly appointed President of Samsung Nordic, I have the honor of introducing this year's sustainability report with a summary of the progress Samsung Nordic has made to become more aligned for a sustainable future.

One thing that stands out is our global collaboration with Carbon Trust and other major tech companies to launch a new method for measuring greenhouse gas emissions. This initiative aims to address greenhouse gas emissions from the electricity consumption of internet-connected products. By improving the accuracy of emissions reporting and encouraging reductions, we are working to reduce our carbon footprint.

We also recognize the importance of responsible recycling. As a member of industry organizations, Samsung Nordic collaborates with stakeholders to improve the complex recycling process for electronic products. Our focus also extends beyond recycling, where we aim to enhance the repairability and reuse of our products to ensure they remain useful and relevant for longer periods.

Our global environmental targets for 2050 are ambitious yet achievable. By tailoring our goals to our Device eXperience (DX) and Device Solutions (DS) divisions, both divisions can drive progress and focus on the most relevant sustainability challenges based on their operational reality. The DX division is on track to achieve net zero Scope 1 and 2 emissions by 2030, with a 93.4% transition to renewable energy already accomplished. We are also making progress in resource circularity, with recycled resin now applied to 25% of plastic product parts and e-waste recovery programs operating in approximately 70 countries. The DS division is equally committed, with targets to achieve net zero emissions by 2050 and a 99.9% waste recycling rate by 2030. The division's efforts in water resource management and pollutant treatment are setting new standards for environmental responsibility. Regarding Scope 3, Samsung has recently revised our global approach to calculating our emissions. As one of the world's largest manufacturing companies, we have a multifaceted and complex value chain, and it has been crucial for us to ensure the calculations are as accurate as possible. A Scope 3 calculation has now been completed, which has also been verified by a third party. As soon as our Carbon Emissions Management (CEM) system is developed and established, it is our intention to set targets for Scope 3.

The emissions from Samsung Nordic are reported to the global organizsation monthly. In recent years we have seen significant changes in our emissions, with a 44.3% decrease from 2022 to 2024 – from 48 329 t CO_2e to 26 941 t CO_2e. This is primarily attributed to optimized logistics routes.

During 2024, Samsung Nordic has also prepared for upcoming EU regulations that will impact our operations and sustainability reporting. We are working closely with various Nordic, European, and global colleagues to ensure compliance with new legislation such as the EU Ecodesign Regulation, Energy Label Regulation, and Corporate Sustainability Reporting Directive (CSRD). These regulations are designed to enhance different aspects, such as product circularity and energy efficiency, while also ensuring responsible business conduct. We are dedicated to adapting to these changes and see them as an opportunity to strengthen our sustainability efforts.

There is no doubt that the electronics industry faces both opportunities and challenges, and that these opportunities arise when we address the challenges. We know that the production of electronic products has an impact on both the environment and society. Therefore, integrating sustainability into our operations is not a choice – it is a business-critical necessity.

Through collaborative efforts and unique perspectives, we can drive innovation and create sustainable solutions. Therefore, I want to extend a big thank you for the dedication, creativity, and hard work, that the employees at Samsung Nordic demonstrate daily.

JASON KIM
President, Samsung Electronics Nordics AB

02

Our products

Samsung company overview

Samsung Electronics Co. Ltd, South Korea, which in this report is referred to as “Samsung”, is a global company divided into two Divisions - Device eXperience (DX) and Device Solutions (DS), operated independently according to product characteristics.

The DX division produces and sells finished products such as mobile products including smartphones and tablets, monitors and displays, home appliances including washing machines and refrigerators, TV and audiovisuals, and network systems.

The DS division consists of the Memory Semiconductor Business, Foundry Business, and System LSI Business which produce and sell semiconductor components.

Samsung Electronics Nordics AB, in this report referred to as “Samsung Nordic”, mainly operates within the DX division and the product categories Mobile Products, TV & Audiovisuals, Home Appliances, and Displays & Monitors.

* The Sales and operating profits above are based on 2023 figures, excluding the performance of Harman and SDC (Samsung Display Company)

DEVICE EXPERIENCE DIVISION

DX

SALES, GLOBAL

Million*

€ 118,994.61

OPERATING PROFIT, GLOBAL

Million*

€ 10,069.29

MAJOR BUSINESS UNITS

- Mobile eXperience
- Visual Display
- Digital Appliances
- Networks
- Health & Medical Equipment

DEVICE SOLUTION DIVISION

DS

SALES, GLOBAL

Million*

€ 46,616.15

OPERATING PROFIT, GLOBAL

Million*

€ 10,415.65

MAJOR BUSINESS UNITS

- Memory
- Foundry
- System LSI

Unveiling the product life cycle

At Samsung, we believe it is important to highlight and foster a better understanding of the risks in supply chains and manufacturing processes. It is only then that we can better understand what needs improvement.

General risks and challenges associated with tech products

Some of the challenges we see in our industry include unregulated mining practices, especially in developing countries, where essential minerals and metals such as rare earth elements, including cobalt and lithium, are extracted for tech product production. This can lead to ecological harm, human rights violations, particularly child labor and exploit local communities. We also know that materials are finite resources, and that resource scarcity is set to become a more significant concern in the future. Electronic products utilize materials like plastics, chemicals, and rare earth metals, each presenting a unique set of challenges. We also need to be aware that the manufacturing of electronic products, particularly in countries with low labor costs, also presents significant challenges in terms of labor conditions.

Last but not least, we see that the production of electronic products involves energy-intensive processes and the generation of potential toxic wastewater and other waste streams that may pose hazards. Furthermore, electronic products were previously designed with built-in obsolescence, making repairs or upgrades challenging. However, due to new business practices and legislation, this is no longer the case.

Advancing efficiency in production and product use

To prevent and mitigate the risks and challenges we identify, Samsung has developed solutions that advance both our production and product use. In the following pages, we outline our business units within the DX division and describe how these solutions can contribute to a more sustainable approach.

Our major business units within DX

→ Mobile Products

→ TV & Audiovisuals

→ Home Appliances

→ Displays & Monitors

Many of our products are certified with different ecolabels and their carbon footprint have been calculated in accordance with international, third-party standards and by third-party certification bodies.

Read more about Samsung's risk management connected to specific topics in:

2024 Global Sustainability Report →

Mobile Products

The Mobile Products division emphasizes a user-centric approach and focuses its products and services on meeting the diverse needs of its customers. The open platform forges partnerships that tap the power of the entire Samsung Galaxy ecosystem - from smartphones, tablets and PCs, to wearables, software and services.

Samsung Galaxy S24+

With 50% recycled cobalt in the battery

The Galaxy S24+ showcases Samsung's commitment to sustainability through its use of recycled materials. The device features 50% recycled cobalt in its battery, 100% recycled neodymium, a rare earth element* in its speaker magnets, and at least 40% recycled steel in its speaker modules. Additionally, the aluminum used in the side key, volume key, and SIM card tray contains 28% recycled content, while the glass in the front screen and back cover includes an average of 25% recycled glass.

Samsung has taken several steps in reducing the environmental impact of the Galaxy S24+'s packaging, achieving a 96.6% reduction in plastic use compared to the Galaxy S7. The paper used for the packaging box is 100% recycled paper, aligning with Samsung's goal to eliminate single-use plastics by 2025.

The Galaxy S24+ also supports a circular economy through Samsung's global e-waste collection and recycling programs, which aim to expand to 180 countries by 2030.

* The rare earth elements are a set of seventeen metallic elements, and are an essential part of many high-tech devices.

Galaxy Book4 Edge

2024 Energy Winner Award

Galaxy Book4 Edge is designed to last longer on just one charge. It also features a fast-charging function that allows it to charge up to 40% in about 30 minutes, reducing the time the device needs to be connected to a power source. This decreases the need for frequent charging and enables energy saving. Thanks to these features, the product has been recognized for its energy-efficient technology with the Energy Winner Award, and Industry and Energy Award at the 27th Energy Winners of the Year Awards in 2024*.

* Read more about the reward at Samsung.com

"By recycling and refurbishing phones, we can reduce electronic waste and utilize existing resources more efficiently"

Oscar Nöjd, with 13 years of experience at Samsung, has observed a growing trend in the industry towards purchasing used products. In response to this shift, the Mobile Products division implemented one of the industry's first trade-in programs in 2017.

"We have noticed an increased demand for these types of services and see an opportunity to combine sales with a circular strategy. Our trade-in program allows for consumers, when buying a new phone, to hand in the old phone and receive reimbursement, whilst Samsung sends the old phone to our partnered refurbishment centers.

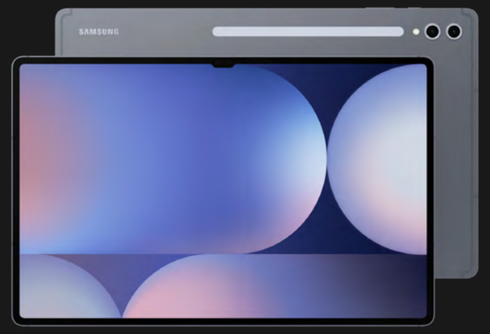
During the fall of 2024, Samsung Nordic conducted a survey at Samsung community, a platform where Samsung's consumers interact and discuss for example tech and share tips on repairability. Amongst 648 respondents, 86.3% said that they have four or more unused mobile phones and other electronic devices at home. If these are not turned in when purchasing a new one, there is a risk that they will quickly lose value or become too old to be refurbished and reused. This not only represents an economic loss for consumers but also a missed opportunity to contribute to a more circular economy.

We are aware that our trade-in program and similar services may inadvertently encourage consumption, by upgrading their phone. At the same time, we see great potential. By encouraging customers to turn in their old phones we can reduce electronic waste and utilize existing resources more efficiently. In the end, we want consumers to think of their used phone to have a value, just like a used car."

OSCAR NÖJD
Head of Sales Innovation, Mobile Products

Lasting impact

We are working towards making our business models more circular by gradually enhancing resource circularity throughout our product life cycle, from raw material sourcing to recycling. Our initiatives include exploring the use of recycled materials, such as discarded fishing nets, and improving product performance to extend the lifespan of our products.



Samsung Galaxy Tab S10

Producing

SUPPLY CHAIN

We pre-select suppliers based on the sustainability criteria Labor & Human Rights, Health & Safety, Environment, Ethics, Management System and Migrant Worker Guidelines and perform annual comprehensive evaluations of our suppliers. Additionally, we are a member of the Responsible Business Alliance (RBA), the world's largest industry coalition dedicated to corporate social responsibility in global supply chains.

LABOR PRACTICES

We conduct human rights due diligence via different avenues including but not limited to internal assessments and audits, third-party audits, human rights impact assessments and other types of assessments to proactively assess the direct and indirect impact of our business operations on human rights.

RAW MATERIAL EXTRACTION

We strive to reduce possible negative effects of mineral mining, and we use minerals sourced from smelters certified by global third-party accreditation entities, such as Responsible Minerals Assurance Process (RMAP). We also block materials that are not sourced in compliance with our responsible mineral policy.

Read more about our work to eliminate conflict minerals

CHEMICALS

Understanding the impact chemicals have and how chemicals can be replaced by preferable alternatives is a continuous process at Samsung. Our supply chain review and management systems are designed to help our suppliers actively engage in responsible substance management practices. Suppliers are audited every two years based on their compliance with our Eco-Partner certification system, which ensures that products and components do not contain environmentally hazardous substances.

Read more about the certification process

MATERIALS

In 2022, we established the Circular Economy Lab, which focuses on material circularity, and conducts research into recycling processes and the use of recycled materials to enhance resource circularity. For example, the Samsung Galaxy S24+ series features increased recycled components* compared to the previous Samsung Galaxy S23 model. Our goal is 50% recycled resin in plastic parts in our products by 2030, and 100% by 2050.

MANUFACTURING

Committed to achieving 100% renewable energy for our manufacturing sites by 2027, we invest heavily in enhancing manufacturing, especially in semiconductor lines. Since January 2019, our Air Science Research Center has developed advanced filters and technologies for detecting, analyzing, and removing particulate matter. We are also part of RE100, a global initiative bringing together businesses committed to using 100% renewable electricity in their operation.

WATER EFFICIENCY

Our DX division aims to achieve 100% water resource restoration by 2030 meaning returning the same amount of water consumed by division subsidiaries to local communities. Water, vital for various manufacturing processes, is a key focus for us, and we aim to reduce the impact of over 20 global manufacturing sites on water resources through various actions, such as each manufacturing facility forming cooperative systems with local governments, NGOs, and local residents to protect and improve water resources in watersheds near our sites. This effort is geared towards promoting the well-being of local communities.

TRANSPORT

Several of our Nordic logistics partners aim for carbon reduction, optimizing transport routes, improving loading efficiency, and reinforcing management to ensure greater logistics efficiency. With the aim of gradually transitioning from fossil transports to electric trucks, a procurement was completed in 2024 with the specification that we wish for electric vehicles where possible.

* 80% recycled PET in the back glass film, 22% recycled glass in front and back glass, and 20% recycled plastics in the S-Pen inner cover from ocean-bound plastic.

Promoting longevity

Usage

ENERGY EFFICIENCY
We try to reduce energy consumption in our manufacturing process and increase the efficiency of our products. As an example, many of our laptops now feature electricity loss-reducing circuits in the OLED panel, and chargers have optimized energy consumption by eliminating standby power. The Exynos mobile processor has an integrated form of various features that reduces space and costs while enhancing energy efficiency.

CONSUMER BEHAVIOR
Engaging customers is vital to shape the life cycle of our products. An example of this is offering a wide range of support options for Samsung Galaxy Smartphone users to extend device lifespan, such as security and OS upgrades, brand authorized workshops, and service centers to repair and refurbish their devices.

PACKAGING
We are actively reducing packaging to decrease weight and increase the use of recycled materials. As examples, for the Galaxy S24 series released in 2024, the paper used in the packaging box is made from 100% recycled paper. The plastic films previously attached to the front and back of the product were fully replaced with 100% recycled paper as well. In our Mobile Products division, we aim for plastic-free product packaging by 2025.

RECYCLING
We operate various smartphone recycling programs. We aim to have e-waste collection systems in more than 180 countries by 2030, (such systems are currently available in around 70 countries). In the Nordics, we partner with Producer Responsibility Organizations (PRO) that oversee the collection, recycling, and disposal of electronic waste. PROs manage shipping, third-party certification, and compliance, providing us with product collection volume data.

REPAIRABILITY
Prioritizing repairability in product development, our latest models Galaxy S24, S24+, Ultra, Z Flod6 and Z Flip6 offer seven generations of OS upgrades and seven years of security updates to help users reliably experience the optimized performance of their Samsung Galaxy devices for even longer. As a result, we anticipate users will enjoy their Samsung Galaxy mobile devices more securely for a longer period of time. Product life cycles can be extended without compromising performance by promptly diagnosing and correcting each product's cause of malfunction. As of 2023, we operate a total of 13,784 service centers in 216 countries.

Samsung Galaxy Watch7 Ultra

TV & Audiovisuals

Samsung's TV and Audiovisuals division aims to create enjoyable and energy-efficient viewing and listening experiences that bring people together, whether at home or in professional settings. By steadily advancing our products, we seek to offer solutions that resonate with audiences and enrich everyday moments.

Neo QLED QN900C

With recycled graphite

Samsung has taken steps to reduce the environmental impact of the Neo QLED 8K QN900D's production. The aim is to utilize 100% renewable energy by 2027, and we are currently enhancing the efficiency of raw material usage to reduce environmental impact during production. For example, we are implementing External Gas Molding (EGM) technology, which utilizes air instead of plastic to form parts, thereby reducing the plastic required in the injection process.

For parts in the Neo QLED 8K QN900D products Samsung Electronics uses recycled materials. For example, rear cover, holder stand, and speaker cover contain a minimum of 10% post-recycled materials, and the remote control contains at least 24% recycled plastic in the total plastic used. The graphite sheets used for heat dissipation are made from recycled graphite materials from waste batteries. Of the six sheets, five are made from 100% recycled material. The packaging is designed to be fully recyclable.

Additionally, the Neo QLED 8K QN900D comes with a SolarCell Remote.

SolarCell Remote™

Charge it with light, not with batteries

Samsung's SolarCell Remote™ operates using energy from solar power or indoor lighting - plus the USB-C port can be used for a fast-charge. This eliminates the need for disposable batteries. The SolarCell Remote™ is designed to enhance convenience by eliminating the need for users to replace batteries or perform separate charging operations, and it also reduces waste.

Furthermore, Samsung Electronics is actively engaging in cross-industry collaborations to achieve a sustainable society, and its technology for the SolarCell Remote has been made accessible to everyone through open licensing.

"We as manufactures can play a crucial role in improving repairability and reuse"

With twelve years at Samsung Nordic and 40 years in the electronics industry, Magnus has extensive experience in its development. For the past two years he has also chaired the Swedish industry association for consumer electronics, focusing on industry collaboration for effective recycling and increased TV reuse.

"Much has changed in TV usage over the past decade. Previously, TVs were primarily used for traditional broadcasts, but now they are used by a new generation to stream content via apps. With technological advancements and changing user behavior, we see that consumers are more frequently choosing to buy a new TV instead of repairing or purchasing a used one.

As a result, we prioritize ensuring that the recycling of TVs is carried out in a thoughtful manner.
As a result of these challenges, it is important to achieve best possible material recycling.

Samsung Nordic is a member of ElektronikBranschen (the Swedish industry association for suppliers, distributors, and retailers in consumer electronics). One of the areas where the members are collaborating is the complex recycling process for electronic products. Since recycling requires an extensive infrastructure for collection, sorting, and processing, it is impossible for a single company to manage this on its own.

Despite the challenges posed by the complex evolution of televisions over the past decade, discussions on improving repairability and reuse are gaining more attention. From a sustainability perspective, focusing on these aspects is more effective than material recycling. By influencing the design and production of our TVs, we as manufacturers can play a crucial role in improving repairability and reuse. One such step is that we will now start updating the operative system on selected models, to make them able to be up to date for a longer time."

MAGNUS NILSSON
Tech Product Manager, TV & Audiovisuals

Lasting impact

We recognize the imperative to transition towards more circular business models. Our environmental commitment involves an enterprise-wide initiative to augment resource circularity across the entire product life cycle, from raw material sourcing to recycling and disposal. Several of our displays have achieved eco-labels and certifications such as TCO, Carbon Trust, EPEAT, and Energy Star*.

Producing

SUPPLY CHAIN
We pre-select suppliers based on the sustainability criteria Labor & Human Rights, Health & Safety, Environment, Ethics, Management System and Migrant Worker Guidelines. We also perform annual comprehensive evaluations of our suppliers. We are a member of Responsible Business Alliance (RBA), the world's largest industry coalition dedicated to corporate social responsibility in global supply chains.

LABOR PRACTICES
We conduct human rights due diligence via different avenues including but not limited to internal assessments and audits, third-party audits, human rights impact assessments and other types of assessments to proactively assess the direct and indirect impact of our business operations on human rights.

RAW MATERIAL EXTRACTION
Samsung collaborates with sub-suppliers on activities such as mineral sourcing and smelters. We support them to reduce greenhouse gas emissions by monitoring suppliers' GHG emissions and promoting and supporting suppliers to join the Carbon Disclosure Project (CDP) supply chain, a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. We promote renewable energy by providing training and information-sharing forums. All our smelters are Responsible Minerals Assurance Process (RMAP) certified, ensuring responsible mineral sourcing in line with human rights, environmental standards, and social responsibilities.

Read more about our work to eliminate conflict minerals

CHEMICALS
Understanding the impact and how different chemicals can be replaced by preferable alternatives is a continuous process at Samsung. Our supply chain review and management systems are designed to help our suppliers actively engage in responsible substance management practices. Suppliers are audited every two years based on their compliance with our Eco-Partner certification system, which ensures that products and components do not contain environmentally hazardous substances.

Read more about the certification process

MATERIALS
We are working to improve our use and circularity of materials. Since 2022, our Circular Economy Lab has focused on researching material recycling processes and tech. Our goal is 50% recycled resin in plastic parts in our products by 2030, and 100% by 2050.

MANUFACTURING
Samsung is adopting new practices in mold manufacturing focused on recycling, weight reduction, and efficient processing. Advanced injection molding for large-sized products, like TV parts, reduced the 12-plate mold to 6 plates, cutting weight by over 18%. We are also a member of RE100, a global initiative of more than 400 companies committed to 100% renewable electricity.

WATER EFFICIENCY
In our production, we aim to maintain 2021 water intake levels by 2030, despite the expected increase in water demand due to semiconductor line expansion. We are expanding water reuse systems across approximately 20 global manufacturing sites and implementing agreements to reuse treated sewage effluents. These efforts are designed to reduce our impact on water resources and support the well-being of local communities. Additionally, we collaborate with local governments, NGOs, and residents to protect and improve water resources near our sites.

TRANSPORT
We are actively working towards enhancing our logistics efficiency. The Neo QLED 75QN900C has reduced the size and weight of the product and also reduced the packaging box, improving container loading efficiency by 20% compared to the previous equivalent model.

Additionally, a procurement process has been completed, and we are currently awaiting further discussions with our logistics partner to explore the possibility of establishing fixed time slots for electric vehicles. This initiative aims to optimize the utilization of our electric vehicles, with an ambition to implement in Q1 2025.

The Serif LS01D QLED 4K Smart TV Ivy Green (2024)

* TCO: TCO Certified is a sustainability certification for IT products, focusing on environmental and social responsibility.

Carbon Trust: The Carbon Trust is an organization that helps businesses and governments reduce carbon emissions and improve resource efficiency.

EPEAT: EPEAT is a global rating system that evaluates electronic products based on their environmental attributes.
Energy Star: Energy Star is a program that certifies products for meeting energy efficiency guidelines to reduce greenhouse gas emissions.

Promoting longevity

Usage

ENERGY EFFICIENCY
We strive to reduce energy consumption in our manufacturing processes and increase the efficiency of our products. Samsung The Frame was awarded “TV of the Year 2024/2025”* for several factors, one of them being smarter brightness control in addition to an improved power-saving mode. The award was given by the Norwegian trade magazine “Fagbladet Elektronikkrabsyn” published by the industry organization Stiftelsen Elektronikkrabsyn in collaboration with experts from the retail sector.

REPAIRABILITY
Repairability is one of our main priorities in product development. Our enhanced repairability service enables single-piece repair instead of replacing entire modules, which not only reduces costs for customers but also cuts down on electronic waste by preserving reusable components.

RECYCLING
We are actively enhancing recycling efforts, such as eliminating metal staples from most display packaging for better recyclability. In South Korea, e-waste plastics are repurposed for new products. We aim to have e-waste collection systems in 180+ countries by 2030 (currently in around 70 countries).

CONSUMER BEHAVIOR
We need to engage with our customers to have an impact on the end of our product’s lifespan. With AI Energy Mode, it senses the light levels in the room and automatically adjusts screen brightness to help save energy. It also analyzes the content being played scene by scene to make subtle adjustments to the overall brightness. AI Energy Mode is available for Samsung TV (2023 smart TV models CU7000 or above and 2023 Lifestyle TV).

PACKAGING
We plan to remove plastic from packages (except cushions) of all TV and audio products by 2030 and replace them with paper. For the QLED TV, recycled materials are applied to accessory bags, PP band, and stand bags, which are subsidiary materials for product packaging.
The plastic tape that seals the packaging box has been removed or replaced with paper, and the plastic band that binds the accessory cable has been changed to paper. The recycling of the paper box was enhanced by removing the metal staples used in the side joints of the box.

The Frame LS03D QLED 4K Art Mode Smart TV (2024)

* Read more at.elektronikkbransjen.no

Home Appliances

Samsung Home Appliances delivers high-quality solutions for every part of the home through intelligent technology, innovation and design. With connected appliances we are allowing for a more seamless and efficient home experience that meets the evolving needs of our consumers. We are guided by a simple philosophy, strong values and a high ethical standard that influences our work.

Bespoke AI Laundry Combo™

Increasing energy efficiency

*Based on internal testing of energy efficiency of household washing machines according to Regulation (EU) 2019/2016. This 18kg washer model comes with 20 percent more energy efficiency (38.9 EEI) than the conventional A-rated energy efficiency class (52 EEI).

**Based on internal testing. Complete operating cycle from washing to drying of this model is rated Energy efficiency class A as defined by EU Regulation 2019/2014.

The Bespoke AI Laundry Combo™ integrates washing and drying into a single, space-efficient unit, enhancing household laundry efficiency. Upon sensing the weight of the laundry, it dispenses the right amount of water and detergent. It also detects the fabric, and monitors the level of soiling during the cycle, adjusting wash time and detergent use accordingly.

The wash cycle itself is up to 20% more efficient than the minimum requirements to achieve an A Grade energy efficiency rating under EU regulation no. 2019/2016. * The wash and dry cycle combined also meets the A-grade energy efficiency class rating under EU regulation no. 2019/2014. **

The 2024 BESPOKE Refrigerator

1st Grade Energy Efficiency & NSF Certified

* Read more at Samsung.com

Samsung Electronics has introduced a new refrigerator which utilizes AI technology to improve refrigeration efficiency and make food management more convenient. The refrigerator has received 1st Grade Energy Efficiency Rating* from the Korean government, and the Water filtration system is certified by National Sanitation Foundation (NSF) for its microplastics removal capacity.

"Energy savings with AI technology and extended warranties show that we are on the right track"

Rikard Fornbäck has worked for Samsung's Home Appliances division for over five years. During his time, understanding the company's footprint has become a central aspect of product development.

"At Samsung, we continue to focus on developing long-lasting products. Not only does it give value to our customers, but it is also an important aspect from a sustainability point of view.

One of our main initiatives is offering a 20-year warranty on the motors in our washing machines and the compressors in our cooling products, which I believe demonstrates our confidence in the product's quality and longevity.

We have also integrated AI technology into our SmartThings app, enabling users to save energy through AI Energy Mode. This feature can reduce energy consumption by up to 15%* for refrigerators and freezers and as much as 70%** for washing machines. It's amazing to see how technology can make such a difference without the user noticing any change in performance.

Looking ahead, we are working on several goals to develop our products in a sustainable context. This includes everything from using more recycled materials to reduce energy consumption. The progress we have already made, such as energy savings with AI technology and extended warranties, shows that we are on the right track."

RIKARD FORNBÄCK
Nordic Training & Communication Specialist, Home Appliances

* Reduces energy usage by up to 15% through an AI algorithm which optimizes compressor speed and defrost cycle and saves an additional 15%. By adjusting the set temperature, the refrigerator will set the temperature to Fridge 5℃, Freezer -16℃ and this may affect the preservation period of food.

** Available for specific models from Dec 2022 through Wi-Fi update. Test results derived from comparing factory setting temperature with AI Energy mode to without AI Energy mode. Results may vary depending on the usage condition and pattern.

Lasting impact

Creating products that last long is important from a sustainability point of view. As an initiative to prolong the lifespan of our products, we have developed a Modular Design principle for resource efficiency in our Bespoke refrigerator.

Samsung Bespoke MC32DB7746KDE1 Microwave

Producing

SUPPLY CHAIN
We pre-select suppliers based on sustainability criteria Labor & Human Rights, Health & Safety, Environment, Ethics, Management System and Migrant Worker Guidelines and perform annual comprehensive evaluations of our suppliers. Our standard supplier contract mandates compliance with internationally accepted labor and human rights standards (e.g., prohibition on forced labor, child labor, discrimination based on ethnicity and gender).

LABOR PRACTICES
We conduct human rights due diligence via different avenues including but not limited to internal assessments and audits, third-party audits, human rights impact assessments and other types of assessments to proactively assess the direct and indirect impact of our business operations on human rights.

RAW MATERIAL EXTRACTION
Samsung collaborates with sub-suppliers on activities such as mineral sourcing and smelters. We support them to reduce greenhouse gas emissions by monitoring suppliers' GHG emissions and promoting and supporting suppliers to join the Carbon Disclosure Project (CDP) supply chain, a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. We promote renewable energy by providing training and information-sharing forums. All our smelters are Responsible Minerals Assurance Process (RMAP) certified, ensuring responsible mineral sourcing in line with human rights, environmental standards, and social responsibilities.

Read more about our work to eliminate conflict minerals

CHEMICALS
Continuously assessing chemical impact and exploring better alternatives is integral at Samsung. Our supply chain systems facilitate supplier engagement in responsible substance management. All product and parts suppliers undergo Samsung's Eco-Partner evaluation which ensures compliance with standards for environmental substance control and a robust environmental management system.

Read more about the certification process

MATERIALS
Finding better alternatives, such as recycled materials instead of new materials, or reducing materials in our processes, is very important to us to reduce our environmental impact. For example, the Clean Station grille filter in our Bespoke Jet A vacuum cleaner is made of at least 30% Post Consumer Recycled material (PCM) and at least 10% recycled polyamide (PA) material* from marine waste**.

MANUFACTURING
In 2023, we introduced a more advanced injection molding process for large-sized home appliances, thereby improving raw material use and energy efficiency. We also developed a cube mold for the door gasket of our front-load washers. Whereas the manufacturing process previously required eight 650-tonne injection molding machines, it now requires only one 1,700- tonne injection molding machine, creating an effect equivalent to reducing up to 785 tonnes CO_2e per year (based on 2023 figures).

WATER EFFICIENCY
Risk management strategies are in place to address water stress and risks, including preparations for droughts and floods, and maintaining effluent standards. Various initiatives, such as installing water-saving facilities and using alternative water sources, are pursued to decrease water withdrawal and increase reuse.

TRANSPORT
Several of our logistics partners in the Nordics have set goals for carbon reduction. Our partners work continuously with measures to optimize transport routes, improve loading efficiency, and improve transport management to ensure greater logistics efficiency. With the aim of gradually transitioning from fossil transports to electric trucks, a procurement was completed in 2024 with the specification that we prefer electric vehicles where possible.

* Measured based on weight. For the content of recycled materials, those materials obtained Environmental Claims Validations from UL (Underwriters Laboratories) (UL certification number: 293089-4210).

** Any persistent, manufactured or processed solid material discarded, disposed of or abandoned in the marine and coastal environment.

Promoting longevity

Usage

ENERGY EFFICIENCY

Our SmartThings app, featuring AI Energy Mode, empowers users to monitor and enhance household energy efficiency. For example, the Bespoke AI washer adjusts wash cycles based on the load size, which can reduce energy consumption by up to 70%*. When AI Energy Mode is activated for the Bespoke refrigerator, it can reduce energy consumption by 15% during operation and an additional 15% when not in use by optimizing compressor speed, defrost cycles, and temperature settings.

REPAIRABILITY

Accurate diagnosis and repair of defects are vital for extending a product's lifespan, preserving performance, and improving resource efficiency. Our global service channels, tailored to local needs, enhance accessibility. Notably, we provide a 20-year warranty for digital inverter motors and compressors in European refrigerators and washers, prioritizing repairability and long-term product durability.

RECYCLING

We are actively developing alternatives, designing easily recyclable products, and addressing e-waste globally for all our product categories. With e-waste collections in approximately 70 countries (aiming for 180+ by 2030), we have collected 6,297,000 tonnes of e-waste since 2009. In 2023, we collected 599,000 tonnes.

CONSUMER BEHAVIOR

To influence the life cycle of our products, engaging with consumers is crucial, and developing products that make it easier for our consumers in their everyday life. For instance, 60% of the clothes we wear are made of plastic-based synthetic materials, releasing microfiber when we wear, wash and dry our clothes**. To help prevent this, Samsung in collaboration with Patagonia and Ocean Wise, developed the Less Microfiber Cycle for washers. The Less Microfiber Cycle adjusts the motor's revolution speed and washing intensiveness to help prevent synthetic clothes from shedding microfibers. As a result, the Less Microfiber™ Cycle technology for washers can reduce up to 54% of microplastics released into drain water.

PACKAGING

We are transitioning from plastic and vinyl materials to paper and recycled alternatives in our product packaging. We are also actively reducing the volume and weight of our packaging which mitigate greenhouse gas emissions during transportation and shipping processes. We also use FSC*** certified paper for the paper packaging of all refrigerators, washing machines, dryers, air conditioners, AirDressers, air purifiers, cooking appliances, and vacuum cleaners.

Bespoke Jet Bot Combo AI

* Based on internal testing on the WW11BB944AGB model in normal usage conditions. Results: Power consumption without AI Energy Mode = 0.539 KWh. Power consumption with AI Energy Mode = 0.145 KWh. Results may vary depending on the actual usage conditions.
** Read more at Samsung.com
*** Forest Stewardship Council

Displays & Monitors

The division for Displays and Monitors is dedicated to providing innovative technology and seamless connectivity, enhancing visual experiences for diverse applications. By focusing on innovation and quality, we provide solutions that enrich both work and home environments.

The ViewFinity series

Promoting sustainability throughout the life cycle

The 2024 models in the ViewFinity series are optimized for creators and professionals, and include ViewFinity S8 (S80UD and S80D), ViewFinity S7 (S70D) and ViewFinity S6 (S60UD and S60D).

The 2024 ViewFinity displays increase recycling rates by using at least 10 percent recycled plastic of the total plastic used for the product, and without applying chemical sprays to the plastic components.

The packaging uses glue instead of staples for easier disassembly, and reduction of metal.

Additionally, the Eco Saving Mode feature of the ViewFinity series reduces energy consumption by automatically adjusting the brightness while maintaining a high picture quality.

Smart signage QHC Series

An award-winning innovation

* Read more at Samsung.com

Samsung's SMART Signage QxC series was honored in the "Green Signage – Hall of Fame"* by invidis, a German digital signage consultancy, for its carbon footprint reduction efforts and energy-efficient features. The "Green Signage – Hall of Fame" recognizes sustainable digital signage products from display manufacturers around the world. This year, Samsung's SMART Signage QxC series — specifically the QH55C model — has been recognized for reducing 168 listed carbon footprint metrics.

These SMART Signage Q series models feature an Eco Sensor feature that adjusts screen brightness based on the surrounding environment, allowing users to manage power consumption more efficiently. Additionally, the rear covers on these models contain 10% post-consumer materials (PCM) to reduce the use of regular plastic during manufacturing.

The QH55C model was also featured at the Digital Signage Summit Europe (DSSE) in May 2024 where the latest innovations in digital signage sustainability were showcased.

"By making the monitors 40% thinner, we have been able to reduce packaging size, thereby reducing the number of transports"

During his seven years at Samsung Nordic, Jonas Fjeld has observed the increasing demands related to sustainability, particularly from B2B customers. With this as a foundation, he contributes to advancing the progress of our LFD and LED screens.

"At Samsung, we continuously work to find new innovative ways to integrate sales and sustainability, especially within our LFD and LED screen segment. As part of this, our goal is to achieve third-party certifications, which means allowing independent organizations to review and approve our products to ensure they meet high standards. To reach this, we have implemented energy-saving modes, and increased the use of recycled materials, such as recycled plastics and FSC-certified paper.

Our new QMC series is an example of this commitment. By making the monitors 40% thinner, we have been able to reduce packaging size, thereby reducing the number of transports. Other examples include our remote controls, which we have made 22% smaller and equipped with solar panels, eliminating the need for batteries.

Moving forward, we will continue to explore ways to improve energy and material usage, both in our products and packaging. We are determined to continue working towards more certifications, which have become a natural part of our industry. I find it an exciting time to be involved and am driven by finding the balance between innovative and sustainable solutions."

JONAS FJELD
Key Account Manager focusing on LFD and LED screens, Displays & Monitors

Lasting impact

Our environmental commitment involves an enterprise-wide initiative to augment resource circularity across the entire product life cycle, from raw material sourcing to recycling and disposal. A number of our displays have achieved eco-labels and certifications such as TCO, Carbon Trust, EPEAT, and Energy Star.*

Producing

SUPPLY CHAIN
We pre-select suppliers based on sustainability criteria Labor & Human Rights, Health & Safety, Environment, Ethics, Management System and Migrant Worker Guidelines and perform annual comprehensive evaluations of our suppliers. We are a member of Responsible Business Alliance (RBA), the World's largest industry coalition dedicated to corporate social responsibility in global supply chains.

LABOR PRACTICES
We conduct human rights due diligence via different avenues including but not limited to internal assessments and audits, third-party audits, human rights impact assessments and other types of assessments to proactively assess the direct and indirect impact of our business operations on human rights.

RAW MATERIAL EXTRACTION
Samsung collaborates with sub-suppliers on activities such as mineral sourcing and smelters. We support them to reduce greenhouse gas emissions by monitoring suppliers' GHG emissions and promoting and supporting suppliers to join the Carbon Disclosure Project (CDP) supply chain, a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. We promote renewable energy by providing training and information-sharing forums. All our smelters are Responsible Minerals Assurance Process (RMAP) certified, ensuring responsible mineral sourcing in line with human rights, environmental standards, and social responsibilities.

Read more about our work to eliminate conflict minerals

CHEMICALS
Understanding the impact and how different chemicals can be replaced by preferable alternatives is a continuous process at Samsung. Our supply chain review and management systems are designed to help our suppliers actively engage in responsible substance management practices. Suppliers are audited every two years based on their compliance with our Eco-Partner certification system, which ensures that products and components do not contain environmentally hazardous substances.

Read more about the certification process

MATERIALS
We are working to improve our use and circularity of materials. Since 2022, our Circular Economy Lab has focused on researching material recycling processes and tech. Our goal is 50% recycled resin in plastic parts in our products by 2030, and 100% by 2050.

MANUFACTURING
Samsung is adopting new practices in mold manufacturing focused on recycling, weight reduction, and efficient processing. We are also a member of RE100, a global initiative of more than 400 companies committed to using 100% renewable electricity in their operations.

WATER EFFICIENCY
In our production, we strive for zero water intake and increased water reuse at manufacturing sites. Despite a projected doubling of daily water intake by 2030 due to semiconductor line expansion, our goal is to maintain 2021 water intake levels. This involves expanding water reuse across 20+ global manufacturing sites to reduce the impact on water resources and enhance the well-being of local communities.

TRANSPORT
Samsung's 2023 smart signage products (QHC, QMC, QBC) are approximately 40% slimmer than previous models at 28.5mm thickness. Through this, the number of shipping containers required for logistics after production can be reduced by more than 20% compared to the previous model.**

WAD

* TCO: TCO Certified, a sustainability certification for IT products.

Carbon Trust: An organization that provides certification for carbon reduction and sustainability.

EPEAT: Electronic Product Environmental Assessment Tool, a global ecolabel for electronics, measuring the social and environmental impacts of products from extraction to end of life.

Energy Star: A program that certifies energy-efficient products.

** Based on the number of boxed devices per-40ft container. Based on annual sales volume of indoor Smart Signage in 2022.

Promoting longevity

KM24C-3

Usage

ENERGY EFFICIENCY

During 2024, Samsung unveiled its ultra-low power display, Samsung Color E-Paper (EMDX model), for the first time. Seamlessly blending digital ink with innovative full-colour e-paper technology, this new signage can replace analog or paper promotional materials.

The new product offers an alternative to traditional promotional methods while delivering the high-visibility signage businesses need. The Samsung Color E-Paper operates at 0.00W1 when displaying static image and consumes significantly less power than traditional digital signage when changing images. Additionally, users can remotely control the Color E-Paper, setting schedules to save energy with automatic wake-up and sleep times.

RECYCLING

We are actively enhancing recycling efforts, such as eliminating metal staples from most display packaging for better recyclability. In South Korea, e-waste plastics are repurposed for new products. We aim to have e-waste collection systems in 180+ countries by 2030 (currently in around 70 countries).

CONSUMER BEHAVIOR

Samsung monitors (QHD, UHD, LED, ViewFinity) features eco saving plus mode that preserves up to 10% more energy while maintaining bright and vivid picture quality.

REPAIRABILITY

Repairability is one of our main priorities in product development. In 2024, Samsung has trained key partners in “Hospitality TV” to focus on Open Cell (OC) repair instead of traditional repairs, such as panel replacement. This approach reduces electronic waste, conserves resources, and decreases energy consumption. It is also cost-effective and extends the lifespan of products. During 2025, we hope to continue to expand this method of repair.

PACKAGING

We are focused on reducing packaging, cutting weight, and emissions in transport while boosting recycled materials. Currently, our packaging includes over 50% recycled plastics, 100% FSC (Forest Stewardship Council) certified and recycled paper, and we no longer use plastic tape for box sealing for products larger than 65”. Additionally, 10% recycled EPS cushions are now used in packaging for all monitor and signage models. For the Signage OMC and QBC series we have increased the recyclability of paper boxes by removing metal staples and replaced them with glue. The reduction of box assembly process time also reduced energy consumption in the manufacturing process.

03

Sustainability strategy

Our collective efforts are crucial in shaping the future

In today's rapidly evolving business landscape, the importance of being a company that is aware of its environmental impact cannot be overstated. Matilda Norrman observes the rising expectations, and despite the pressure, she finds it an exciting time as consumer awareness drives Samsung towards change.

"As environmental consciousness grows, our customers, retailers, and operators are asking more questions, and the demands in procurements are becoming higher. To participate and compete successfully, we often need to demonstrate a solid commitment to sustainability.

I won't deny that being a sustainability manager can sometimes feel challenging, given the many issues within the field. We all wish for a faster transition to a more circular and sustainable world, but there are many factors that need to work together. Legislation, consumer education, and research on new materials are just a few of the aspects that must be considered.

In many ways, it is also a more exciting time than ever before. With increasing consumer awareness, Samsung now invests significant resources in research and development to continuously improve our products. A sustainable approach is no longer limited to a small part of the company but has become a central part of our business strategy.

The sustainability team at Samsung Nordic aims to work closely with the business and be accessible to our colleagues. By creating strong collaboration, we can assist our colleagues in communicating Samsung's efforts. Part of this work is this report, which we hope will serve as a tool with clear models and explanatory content, providing our employees with insights and knowledge. Another initiative is the Sustainability Open Sessions where we have created a platform for all employees at Samsung Nordic to learn about our efforts and ask questions.

The sustainability team at Samsung Nordic aims to work closely with the business

Manufacturing is where the greatest sustainability impact lies. Since there is no manufacturing in the Nordics, the Nordic work focuses on our part of the life cycle - sales, usage and disposal. We also continuously work to improve our repair services to make them more accessible, as an important aspect to ensure that phones are used as long as possible. An example of this is our Eco-Conscious Repair initiative, which you can read about further on in the report.

We are also preparing for the Corporate Sustainability Reporting Directive (CSRD) by conducting double materiality analysis, which involves identifying and evaluating both the financial and non-financial aspects of our operations that are essential for environmental responsibility. This analysis helps us understand how the issues impact our financial performance and long-term value creation, as well as how our operations affect the environment and society.

The message I wish to convey is that our collective efforts are crucial in shaping the future. By equipping ourselves with knowledge and understanding, we become advocates for change."

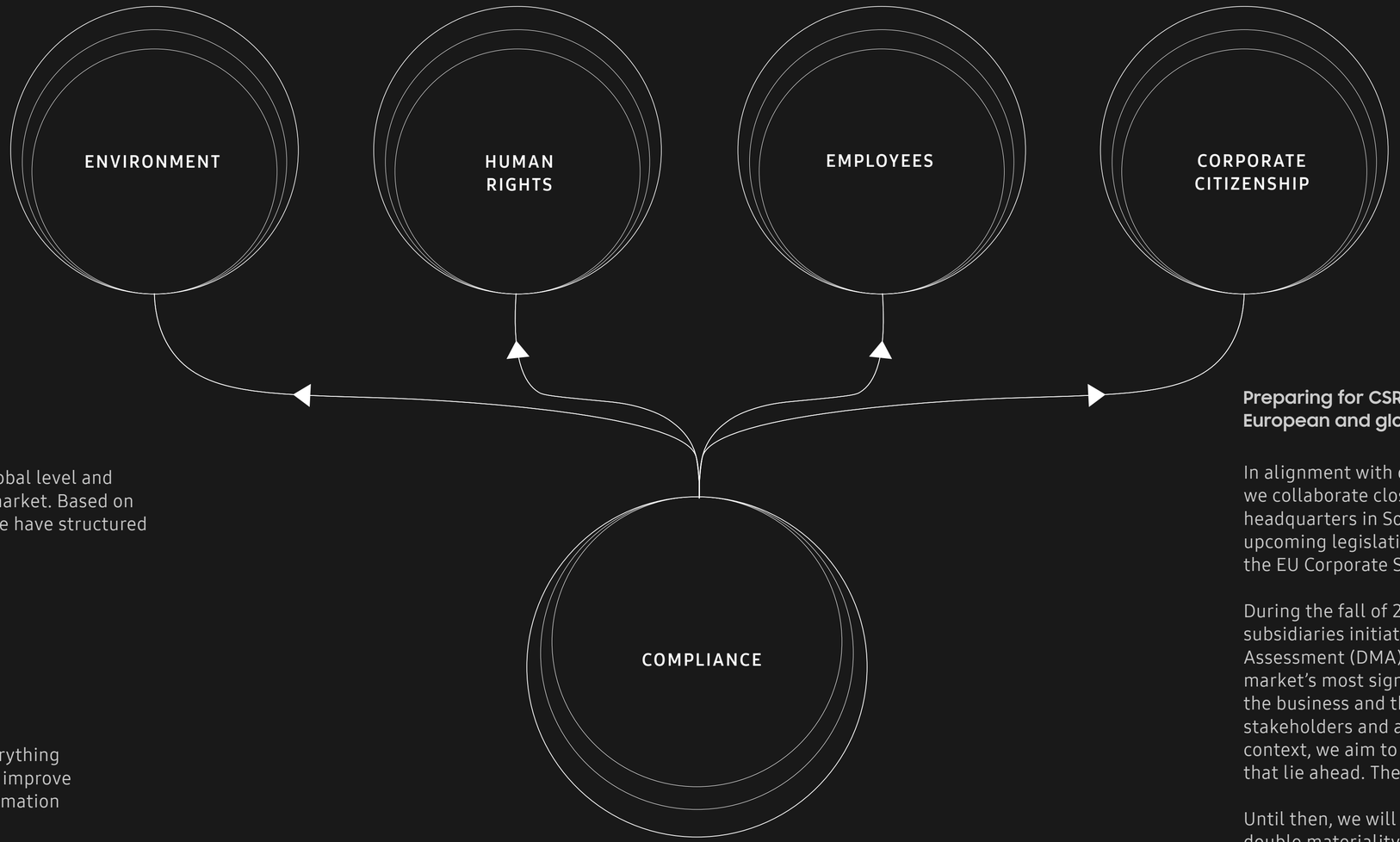
MATILDA NORRMAN
Sustainability & Corporate Affairs Manager,
Samsung Nordic

Identification of sustainability strategy elements

To determine the components of our strategy, we begin with materiality and risk assessments. The materiality assessment identifies key issues related to our business. Once established, it serves as the foundation for proactively addressing current economic, social, and environmental risks. The final step involves creating a risk management plan. These three actions form the foundation upon which our sustainability strategy is based.

Our global Sustainability Strategy defines our work, aims, and actions on sustainability.

Our sustainability strategy for the Nordic markets



Integrating sustainability into our strategy

The Sustainability strategy is set on a global level and adapted and adjusted for each specific market. Based on our Nordic organization and approach, we have structured sustainability in four areas:

→ Environment
→ Employees
→ Human Rights
→ Corporate citizenship

With Compliance as a foundation for everything we do. Through this approach, we aim to improve as a company and be part of the transformation in our industry - in 2025 and beyond.

Preparing for CSRD with our European and global colleagues

In alignment with our commitment to sustainability, we collaborate closely with our European office and headquarters in South Korea to proactively address upcoming legislation on sustainability reporting, including the EU Corporate Sustainability Reporting Directive (CSRD).

During the fall of 2024, selected European Samsung subsidiaries initiated a regional based Double Materiality Assessment (DMA), identifying and evaluating each market's most significant sustainability issues impacting the business and the environment. By engaging with key stakeholders and analyzing Samsung Nordic's regional context, we aim to uncover both the risks and opportunities that lie ahead. The results will be available in 2025.

Until then, we will look at Samsung Electronics' global double materiality assessment, presented on the next page.

Stakeholder interest and engagement

Samsung Electronics continuously engages with a diverse range of stakeholders who influence and are influenced by our business activities. We define key stakeholders as employees, clients, suppliers, wholesalers, investors, and distributors, as listed in the table below. We incorporate stakeholders' feedback into our business strategies and decision-making processes, and we operate various communication channels tailored to the characteristics of each stakeholder group. To achieve sustainable growth, we aim to continuously enhance communication with stakeholders and improve management transparency to build and strengthen trusting relationships.

Global operations overview

STAKEHOLDERS	PURPOSE OF PARTICIPATION	COMMUNICATION CHANNELS	KEY INTERESTS
Members	We assess the working environment through relationships with our members and gain insights into employees' perceptions and experiences via surveys. Through these efforts, we strive to create a sustainable working environment and focus on attracting and developing talent.	· Labor unions, work councils · Counseling centers · Satisfaction surveys (work concentration, organizational health, employee experience) · Sustainability Website · Communications with the executive management · Online comm. platforms, including Samsung NOW · Compliance and ethics whistleblowing channels · Industrial Safety and Health Committee	· Safe and healthy work environment · Diversity, equity, and inclusion · Training and career development Employment and benefits · Labor relations · Organizational culture
Customers, Wholesaler, Retailer	We respond to and support client requirements, building customer trust and providing sustainable solutions. By enhancing product quality tailored to client needs, we are increasing client satisfaction.	· Customer satisfaction surveys · Contact centers, service centers · Samsung Electronics Newsroom · Samsung.com · Samsung Semiconductor Newsroom · Sustainability Website · Sales Channels · Product Environmental Report	· Quality of products and services · Safety in product use · Environmental impact of products throughout their life cycle · Accurate product information · Transparent communication
Suppliers / Supply chain workers, Distributors	We establish an ethical procurement system with our partners and ensure the human and labor rights of their workers. By supporting the sustainability practices of our partners, we aim to strengthen a mutually beneficial cooperation system.	· Global Supplier Relationship Management System (G-SRM) · Hotline, online whistleblowing channels · Partner Collaboration Academy · Partner Collaboration Day, supplier dialogues · Sustainability Website	· Partner Collaboration · Workplace EHS (Environment, Health & Safety) improvement · Fair Trade · Worker human rights protection · GHG emissions reduction
Investors	We aim to protect shareholder rights and build trust by providing investors with transparent information.	· Annual General Meeting · Non-Deal Roadshows, Investor Meetings · Earnings Releases · Investors Forum · Investor ESG Roadshow · IR Website	· Economic performance · Risk management · Information disclosure · ESG agenda, including environmental, social, and governance

Samsung Nordic's roundtable discussion event

Samsung Nordic invited various stakeholders to a roundtable discussion event in October 2024. The purpose of this event was to be an informative and interactive session to discuss challenges and opportunities within sustainability that Samsung is facing, with focus on key environmental and social topics that are deemed material to our business and stakeholders. The outcomes of the event will be incorporated in Samsung Nordic's preparations for CSRD reporting and other relevant plans and strategies.

Double materiality analysis – identifying Samsung's key sustainability issues

In 2024, Samsung Electronics conducted a Double Materiality Assessment (DMA) within the global operations. The assessment identifies Samsung Electronics' largest positive and negative impact on sustainability issues, as well as the topics' impact on the business.

The process

The DMA process involved four steps: understanding the business, identifying impacts, risks, and opportunities (IROs), evaluating IROs, and selecting the most important topics, also known as material topics.

01

Understanding the business

Samsung Electronics began by analyzing its internal and external environments, and value chain, to identify primary topics. This involved reviewing company data, such as the Annual Business Report, and internal data like stakeholder inquiries. A value chain analysis was conducted, organizing it into upstream, own operations, and downstream phases, identifying key stakeholders and ESG topics for each phase. We also identified key stakeholder groups interested in sustainability activities and established plans to gather their opinions. Divisional characteristics were considered, with individual value chains identified for DX and DS Divisions to address sector-specific ESG topics.

02

Identifying Impact, Risk and Opportunity (IRO)

A total of 115 topics were identified, derived from European Sustainability Reporting Standards (ESRS) sub-topics and additional sector-specific issues. Each issue was evaluated against criteria such as alignment with company strategy and global initiatives, resulting in 52 issues and 13 primary topics. The company identified environmental impacts, social impacts, financial risks, and financial opportunities for these topics, preparing identification bases from regulations, media, and stakeholder requests. Impacts were classified into positive/negative and actual/potential traits, and external environments were analyzed for financial impacts, classifying them into risks and opportunities.

03

Evaluating Impact, Risk and Opportunity (IRO)

Evaluative scales for primary topics' IROs were designed referencing EU ESRS requirements, with evaluations based on robust stakeholder participation. Stakeholder engagement included online surveys for internal and external stakeholders, distributing assessment guides and video materials. Executive management interviews were conducted with sustainability-related executives, and a sustainability forum was held in Brussels for European stakeholders. The forum discussed challenges and opportunities for non-financial disclosure standards, climate action, and labor rights, identifying areas for improvement and strengthening future communication with stakeholders.

04

Selecting material topics

Samsung Electronics selected eight material topics based on quantitative and qualitative analyses of survey results, including climate change, water, resource circularity, working conditions, supply chain, information security, product quality, and business conduct. Sectoral differences led to further selection of environmentally material issues by Division, with the DX Division focusing on climate change, water, and resource circularity, and the DS Division including pollutants. After management review, the selected material issues were reported to the Sustainability Committee under the Board of Directors.

Samsung's key sustainability issues, according to the DMA

ENVIROMENTAL
- → Climate Change and Energy
- → Water
- → Resource Circularity and Waste

SOCIAL
- → Working Conditions - Employees
- → Supply Chain
- → Information Security and Protection
- → Product Quality and Safety

GOVERNANCE
- → Business Conduct

2024 Material Topic Management

Samsung Electronics identifies the impacts of selected material topics on the company, and reports on company activities to manage these topics.

MATERIAL TOPICS	UN SDGS	GOVERNANCE	STRATEGY	RISK MANAGEMENT (POLICY)	ACTIVITIES (MAJOR PROGRESS)
Climate Change and Energy		· Sustainability Committee under the Board of Directors oversees sustainability management (including environmental management) strategy and progress · Sustainability Council (chaired by CEO) and Environmental Management Task Force (consisting of relevant departments) and decide on current issues · Invest over KRW 7 trillion in environmental management activities by 2030 (including process gas reduction and water resource preservation	· DX Division: net zero Scope 1, 2 emissions by 2030 · DS Division: net zero Scope 1, 2 emissions by 2050	· Board of Directors approved New Environmental Strategy · Operate Environmental Management Task Force	· Reduce direct emissions, expand renewable energy, reduce external GHG emissions
Water			· DX Division: replenish 100% of water used globally by 2030 · DS Division: achieve zero increase in water intake relative to 2021 levels by 2030	· Board of Directors approved New Environmental Strategy · Operate Environmental Management Task Force and Net Zero Committee · Assess water resources risk assessment and establish response strategy by region	· Expand scope of Alliance for Water Stewardship certification for Korean manufacturing sites
Resource Circularity and Waste			· DX Division: apply recycled resin to all plastic parts by 2050 · DS Division: achieve 99.9% waste recycling rate across all Korean manufacturing sites	· Board of directors approved New Environmental Strategy · Operate Environmental Management Task Force and Net Zero Committee	· Set up product waste retrieval system, attain Zero Waste-to-Landfill certifications at business sites
Working Conditions - Employees		· Sustainability Committee under the Board of Directors, Sustainability Council chaired by the CEO and Labor and Human Rights Council oversees and manages employee and supply chain labor and human rights at various levels	· Respect human rights based on management philosophy of "People First", continue to pursue safe work environment, and create positive workplace culture	· Establish various policies and standards including fundamental principles of human rights, grievance policy, environmental health and safety policy · Operate employee communication and grievance channels and perform human rights due diligence	· Observe freedom of association and right to collective bargaining · Analyze and improve living wage gap · Operate manufacturing site safety management programs and employee health promotion programs · Provide fringe benefits and work policies for work-life balance
Supply Chain			· Secure sustainable supply chain by assisting supplier abor and human rights, occupational health and safety, and talent development as well as business competitiveness	· Establish various policies and standards including supplier Code of Conduct, global purchasing Code of Conduct · Provide supplier employee comm. channels, grievance channels, and operate integrated workplace environment management process	· Perform force labor, child labor special audits · Perform regular ESG audits, consulting and training for suppliers · Operate Partner Collaboration Academy
Information Security and Protection		· CPO (Chief Privacy Officer) and Information Protection Center head, acting as CISO (Chief Information Security Officer), perform control tower role and operate Privacy Protection Committee and Security Council	· Provide strategic direction through the Three Privacy Principles and Four Pillars of Cybersecurity	· Establish global privacy protection policy, operate Samsung privacy website	· Operate Privacy Legal Management System (PLMS) and educate employees · Operate security platform Samsung Knox and Samsung Knox Vault · Semiconductor technology security
Product Quality and Safety		· Global CS Center (Customer Satisfaction Center) and business unit organizations in charge of quality perform operations	· Announce Code of Conduct based on vision of top class pursuit of quality	· Operate quality assurance system and incident response process	· Secure product safety and improve product quality
Business Conduct		· Board of Directors and affiliated committees provide oversight on compliance, Compliance Committee performs operations	· Establish and specify employee and business guidelines	· Compliance Program Management · System based risk management	· Operate education and reporting programs, evaluate corruption risk

Updates in material topics

The result in 2024 double materiality is similar to the result in the 2023 materiality assessment, with the topics climate change and energy, water, resource circularity and waste, and supply chain still being material. Human rights management, talent development and quality of life, and diversity and inclusion are now consolidated into the material topic working conditions – employees.

Risk Management - Managing key risks in a changing landscape

Samsung Nordic follows global risk management and corporate guidelines outlined in the Global Policy and Procedure Manual (GPPM). The Internal Audit and Risk team at Samsung Nordic manages key risk areas designated by Samsung's headquarters.

Globally, non-financial risks such as corruption, the handling of conflict minerals, unusual global weather, or natural disasters are recognized as factors that can impact business operations. Key risk areas in the Nordics include process compliance and business ethics, encompassing issues such as external funding, verbal agreements, and misuse/manipulation of company budget and assets.

To better understand our current and potential future business climate in the Nordic market, we conducted a Nordic sustainability risk analysis in 2019 with a third party. Employees from various positions and departments participated in a risk screening workshop. The risk analysis is adjusted and updated yearly to reflect our current risks. The latest assessment was conducted in the fall of 2024. In the model on the following pages, we explain the risks we have identified and what we do to mitigate them.

At the end of 2024, we also began conducting a double materiality assessment to further strengthen the understanding of our risks in our Nordic operations.

Area:
Environmental Social Governance

Risk	Effect	Action
Failure to meet new environmental regulations or labeling requirements related to products.	Increased demands on Samsung in terms of both time and financial resources to comply with new regulations and labeling requirements can be the result of this risk. Any delays in meeting these regulations could result in fines or other penalties.	We collaborate with industry organizations and colleagues at both global and local levels to ensure compliance with emerging environmental regulations and product labeling requirements. Additionally, we actively contribute to position papers and advocacy efforts, with regular legislation monitoring as a key element of our proactive approach.
Inadequate management of climate change within the supply chain.	Risks identified for the short term include an increase in investment amount due to rising carbon credit prices and high-efficiency technology development. Additionally, there is a risk associated with investment in extreme weather response and a potential increase in restoration expenses.	To mitigate the risks of climate change throughout our supply chain, we continuously collect information on our suppliers' emissions and their use of renewable energy. We actively engage in greenhouse gas (GHG) emissions reduction campaigns targeting our suppliers and regularly organize seminars. Additionally, we place a strong emphasis on providing training to enhance their capacity for GHG management.
Time consuming processes within the group to obtain sustainability information requested in procurement and customer requests.	Lost business and reduced long-term opportunities are potential risks.	To mitigate potential business loss from slow sustainability information processes, we collaborate globally with colleagues and maintain close communication with European counterparts and our South Korean headquarters regarding customer requests.
Resource circularity and e-waste.	Failing to implement effective circularity practices, such as recycling and reusing materials from e-waste, could result in increased production costs and a negative impact on the brand's reputation among environmentally-conscious consumers.	We aim to manage resources more sustainably by using recycled materials and researching methods to extract and re-use resources from e-waste. This is done to align our targets with Nordic regulations. Specific recycling targets based on material type is set as well. We operate various recycling programs in approximately 70 countries around the world, including Korea. Based on the characteristics of each country, we operate recycling centers directly or cooperate with recycling associations or companies to operate e-waste recovery and recycling programs.

Area:
Environmental **Social** Governance

Risk	Effect	Action
Discrimination or harassment incidents in the workplace.	Such incidents may violate fundamental human rights, as well as harm the culture and atmosphere in the workplace. This, in turn, poses potential social and financial consequences for Samsung, including risks to brand reputation.	We conduct internal training sessions at Samsung Nordic and have established comprehensive guidelines and policies that all employees must adhere to, ensuring the prevention of discrimination or harassment incidents in the workplace. We have for instance Whistleblowing policies on country level (Sweden, Finland, Denmark, Norway), and a Grievance policy and Equality & diversity policy on Nordic level.
Failure to attract or retain talent and key competencies.	Failure to attract or retain talent can result in significant drops in performance and hinder business growth. The social and financial success of the company hinges on our ability to attract and retain the right talents and competencies.	We have numerous talent initiatives and comprehensive learning and development curriculums in place to nurture and develop all talents. Additionally, we consistently enhance our employer brand through social media initiatives to further improve talent attraction.
Violations of human rights in the supply chain	If such incidents occur, they can primarily lead to significant harm to our stakeholders in the supply chain. This is particularly evident in the case of violations of human rights, including working conditions, child labor, forced labor, or health and safety issues. Secondarily, this could also potentially result in criminal charges, fines, and damage to Samsung’s reputation.	We regularly audit our factories and maintain close communication with suppliers to prevent human rights violations in the supply chain. Our Supplier Code of Conduct and guidelines serve as our compass in this effort, supplemented by training for our suppliers. Furthermore, all our suppliers of tantalum, tin, tungsten,and gold are Responsible Minerals Assurance Process (RMAP) certified. While we don't face direct challenges with it at the Nordic level, we are closely monitoring the situation due to its indirect impact on us.

Area:
Environmental Social Governance

Risk	Effect	Action
Resource scarcity in supply chain and related increases in costs for raw material.	Resource scarcity can lead to higher prices and reduced sales. Over the long term, it could also compel Samsung and its suppliers to explore alternative materials, potentially impacting lead times for product deliveries.	We partner globally with suppliers and factories to address resource scarcity and rising raw material costs. Simultaneously, we invest in innovative technologies and research for exploring alternative materials. On a Nordic level, we work based on tight management of week of stock, meaning the company strives not to produce unnecessary stock, by checking sell-out trend on the market.
Failure to meet increased customer expectations and requirements on sustainability.	If expectations and requirements are not met it might lead to customers losing interest or trust in Samsung. This may lead to damage to the brand reputation, ultimately leading to reduced sales.	We have enhanced Nordic sustainability communication for sales teams with dedicated assets. Thorough legal reviews ensure credibility, and regular benchmarking keeps us current with industry trends, meeting rising sustainability expectations and exploring innovative approaches.
Corruption, unethical behavior, cyber security, and privacy in procurement, marketing, and sales.	Compliance breaches, including corruption, unethical behavior, cyber security, and privacy, may have significant social and financial consequences for Samsung. Such violations might lead to criminal charges, fines, or severe damage to the brand reputation.	To mitigate the risk of corruption or unethical behavior, we conduct mandatory training in compliance and ethics. Additionally, we have several policies addressing anti-corruption, fair competition, business conduct, and privacy.
Inadequate product quality or safety.	If products do not meet quality and safety standards, it could lead to malfunctions or safety hazards for consumers. This can result in costly recalls, damage to the brand's reputation, and loss of consumer trust.	We analyze quality data and Customer Service (CS) information to take urgent improvement measures such as early warning and stopping production if there is a problem with product quality. To ensure the highest level of quality, we have documented standards for all tasks and processes, and we are constantly checking and improving our compliance with rules and processes on both a global and local level.

04

Environment

Our global targets and commitments to 2050

Net Zero in Scope 1 and 2 by 2050

We are dedicated to developing products that consume less energy, are manufactured using less harmful processes, and are part of our ongoing efforts to increase the shares of renewability and circularity across our entire supply chain. To underline our commitment and strengthen our efforts further, Samsung launched a new global environmental strategy in 2022, with one of the goals to achieve Net Zero in Scope 1 and 2 in all our operations by 2050.

In the model on the following page, we go through our goals and what we have achieved so far.

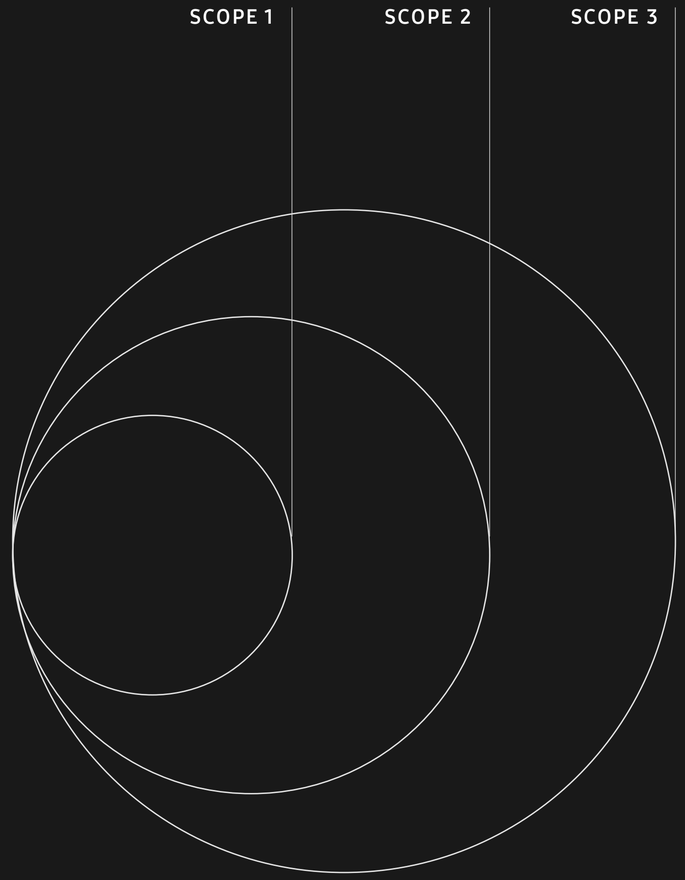
What are Scope 1, 2 & 3?

In this report, we refer to Greenhouse Gas (GHG) Protocol Scope 1, 2, and 3 that classify GHG emissions associated with an organization's activities and help organizations understand and manage their carbon footprint.

Scope 1 includes direct emissions from sources that are owned or controlled by the reporting entity. This includes emissions from the combustion of fossil fuels in on-site facilities and vehicles, as well as emissions from certain industrial processes and fugitive emissions and occur within its operational boundaries.

Scope 2 includes indirect emissions from energy consumption generated by purchased electricity, steam, heating, and cooling consumed by the reporting entity.

Scope 3 are indirect value chain emissions and include all other emissions that occur in the value chain of the reporting entity, including both upstream and downstream activities. Examples are extraction and production of purchased materials, transportation of goods and services, use of sold products and disposal of waste.



Our global environmental targets 2050

Tailored targets for the divisions to address specific operational and environmental impacts

Samsung is divided into two divisions: Device eXperience (DX) and Device Solutions (DS), each with unique production characteristics. The DX division produces and sells finished products such as mobile products including smartphones and tablets, monitors and displays, home appliances including washing machines and refrigerators, TV and audiovisuals, and network systems. While the DS division consists of the Memory Semiconductor Business, Foundry Business, and System LSI Business which produce and sell semiconductor components.

To address their specific operational and environmental impacts, the environmental targets for DX and DS have been separated. This allows each division to focus on the most relevant sustainability challenges, contributing to Samsung's overall environmental goals. By tailoring targets to their needs, both divisions can drive progress in reducing their environmental footprint.

Read more on the global operation's environmental footprint on p. 12 in:

2024 Global Sustainability Report →

Environmental Targets

Net Zero Water Resource Circularity Pollutants

Progress	2024	2025	2027	2030	2040	2050
DX Division	→ DX Division Renewable Energy transition at 93.4% → Applied power-saving technologies to major models in seven product categories*, improved energy efficiency by 25% compared to 2019		→ 100% renewable energy transition for DX business sites → Replace all corporate vehicles in Korea with 100% zero-emission vehicles (EV, hydrogen)	→ Achieve net zero Scope 1, 2 emissions for DX Division → Improve power consumption of major models in seven product categories by 30%**		
DS Division	→ Expanded installment of process gas treatment facilities (RCS) → Reduced fuel usage of boilers through expansion in waste heat recovery → Expand renewable energy such as signing new solar power PPAs			→ Develop innovative technology to improve process gas treatment efficiency → Improve energy efficiency of FAB facilities through cooperation with facility companies		→ Achieve Net Zero (Scope 1, 2) for DS Division

* Based on comparable specifications for 7 electronic products: smartphones, TV, refrigerators, washing machines, air conditioners, PCs, monitors
** Compared to 2019

Environmental Targets

Net Zero **Water** Resource Circularity Pollutants

Progress	2024	2025 2027	2030	2040 2050
DX Division	→ Performed water replenishment pilot projects at 3 Korean locations	→ Expand water replenishment program (3 Korean sites, 8 global sites at 4 countries) → Obtain highest level certification (Platinum) from Alliance for Water Stewardship (AWS) for 3 Korean (certified in January 2024) and 3 Vietnamese manufacturing sites	→ Replenish 100% of water used globally for DX Division	
DS Division	→ Developed ecological status maps for areas influenced by DS Division sites (Giheung, Hwaseong) → Obtained first AWS Platinum certification in Korea in March (Hwaseong)	→ Expand ecological status map development for areas influenced by DS Division business sites → Expanded sites with AWS* Platinum certification (Giheung, Hwaseong, Pyeongtaek, Xi'an)	→ Reduce DS Division water withdrawal at Korean business sites to 2021 levels**	

* Alliance for Water Stewardship
** Through means such as reuse of effluent water from public wastewater treatment plants

Environmental Targets

Net Zero Water **Resource Circularity** Pollutants

Progress → 2024 **2025** → 2027 **2030** → 2040 **2050** →

DX Division

2024

- → Applied recycled resin to 25% of plastic product parts
- → Operating e-waste recovery programs in approximately 70 countries globally
- → Obtained Platinum Zero Waste-to-Landfill certification in 2 Korean, 12 global manufacturing sites world-wide*

2025

- → Obtain Underwriter Laboratories (UL) highest level certification (Platinum) for Zero Waste-to-Landfill at all our manufacturing sites

2030

- → Apply recycled resin to 50% of plastic parts used in our products**
- → Expand e-waste recovery to all global sales regions
- → Cumulatively collect the industry's largest amount of e-waste at 10 million tonnes

2050

- → Apply recycled resin to all plastic parts**
- → Cumulatively collect 25 million tonnes of e-waste

DS Division

2024

- → Maintained high level Zero-Waste-to-Landfill certifications***
- → Achieved Korean manufacturing site waste recycling rate of 98.4%

2025

- → Develop innovative technology to improve process gas treatment efficiency
- → Improve energy efficiency of FAB facilities through cooperation with facility companies

2030

- → Achieve 99.9% waste recycling rate for DS Division Korean manufacturing sites

* As of March 2024
** Pure recycled resin ratios differ by part
*** 7 Platinum, 1 Gold

Environmental Targets

Net Zero Water Resource Circularity **Pollutants**

Progress — 2024 2025 2027 **2030** — **2040** 2050 →

DX Division

DS Division

2024	2025	2027	2030	2040	2050
→ Developed ecological status maps for areas influenced by DS Division sites (Giheung, Hwaseong) → Obtained first AWS Platinum certification in Korea in March (Hwaseong)			→ Zero detection rate in sections where workers are directly exposed to chemicals		→ Treat DS Division manufacturing site air, water pollutants to natural levels*

* Develop new technology to treat pollutants to natural levels

Water efficiency at our factories

Our DX and DS divisions have tailored their approach to water efficiency, reflecting each division's unique operational needs and environmental impact.

Read more on our work with water at p. 17-18, 23-25:

2024 Global Sustainability Report →

DX Division

Strategic water management

The DX Division, responsible for producing consumer electronics, has implemented a water management strategy. Although it uses less water than the DS Division, it is dedicated to reducing its environmental footprint. In 2023, the total water usage amounted to 17,271,000 tonnes.

Strategy includes

→ Systemic Water Resource Management and obtain Alliance for Water Stewardship certifications.

→ Restore Water Resources and preserve water through replenishment projects at manufacturing sites.

→ Restore 100% of globally used water for DX Division by 2030.

→ Comply with regulations and strengthen management of Substances of Concern (SoC) Management.

2023 in numbers

→ Reused 3,470 thousand tonnes of water

→ A 3% increase from the previous year

→ Making up about 20% of its total water use

The division tracks water use in categories like

→ Sewage

→ Wastewater

→ Process water

→ Ultra-pure water

And calculates monthly reutilization rates to cut down on water withdrawal.

New water replenishment initiatives

The division has also started projects to replenish water used in manufacturing, working with local governments and NGOs to protect nearby watersheds.

DS Division

Advanced water reuse systems

The DS Division focuses on semiconductor manufacturing and requires a large amount of industrial water. To address this, the division has set ambitious goals to improve water efficiency, aiming to reduce water intake to 2021 levels by 2030, even with expected production growth. In 2023, the water usage was 160,090 hundred tonnes water.

Strategy includes

→ Maximizing reuse of process water

→ Developing new wastewater treatment technologies

→ Utilize external wastewater

→ Reduce water use and optimize manufacturing processes to reduce water usage.

→ Ecological Preservation and contribute to improving water quality and enhancing biodiversity.

2023 in numbers

→ Reused 119,421 thousand tonnes of water

→ Accounts for about 74% of total water usage

The division has invested in

→ Advanced wastewater reuse systems

→ Agreements to reuse treated sewage effluents

AWS certification program

The DS Division also actively participates in the AWS certification program, with several sites achieving the highest level of certification. This recognition underscores the division's dedication to maintaining high standards in water resource management.

Sustainability in practice:

Samsung Nordic's efforts in reducing environmental impact

Educating Nordic employees on global strategy

At Samsung Nordic, we continue to contribute to the targets in the global strategy that was published in 2022. To achieve this, we have established the Samsung Nordic Sustainability Communications Task Force, dedicated to educating and informing all Nordic employees about the global strategy. The Task Force equips them with tools to effectively communicate sustainability information in meetings with clients, partners, and stakeholders. The material outlines Samsung Nordic's efforts to meet global strategy goals locally and globally.

Promoting reuse in our Nordic operations

As a sales and marketing company, our primary opportunity to ensure the strategy's positive impact is by working downstream in our value chain. Engaging with customers is key for influencing the end of our products' lifespan. This year, we have enhanced our dialogue with trade associations and stakeholders involved in material recycling and circularity. An example of our continuous efforts is seen in our internal purchase and recycling processes, where returned mobile phones are graded (A-D). All B-rated phones are now assigned to our employees in the Nordics, promoting reuse instead of purchasing new phones.

Environmental initiatives and fleet management

Samsung Nordic is actively working to reduce its environmental footprint through a series of targeted initiatives. We report greenhouse gas (GHG) data monthly to our headquarters to ensure accurate environmental tracking and accountability. In our efforts to minimize emissions, we have transitioned to using electric vehicles for deliveries and have reduced plastic use in our packaging, opting for paper alternatives instead of bubble wrap. Additionally, since November 2024, we are using PlasticFri coffee cups which are disposable paper cups.

For our company cars, we have lowered the emission cap to 50g/km across the Nordics, meaning that only cars that are fully or partially electric, such as plug-in hybrids, are eligible. Additionally, we have installed charging stations at our offices to support the use of electric vehicles - there are currently 40 charging points in Sweden, 8 in Finland and 2 in Denmark. In Norway, Samsung does not have its own charging stations, but in garages, there are 38 charging spots available to the public.

Environmental impact

Our Nordic operations

Samsung Nordic's main environmental impact is determined through the analysis of our products and workplaces (in Denmark, Finland, Norway, and Sweden). We have identified energy consumption and emissions as our primary environmental impact areas.

In addition to the global environmental data analysis conducted by Samsung, in the Nordic office we undertake a dedicated annual assessment in collaboration with a third-party partner.
The assessment is carried out in accordance with the World Business Council for Sustainable Development and World Resources Institute's (WBCSD/WRI) Greenhouse Gas Protocol; a Corporate Accounting and Reporting Standard, including the GHG Protocol Scope 2 Guidance. GHG emissions are reported in the three WBCSD/ WRI Scopes. Based on these results, we carry out activities to improve our environmental performance.

As previously mentioned, we refer to the Greenhouse Gas (GHG) Protocol Scope 1, 2, and 3, which is a carbon classification for an organization's activities to manage its emissions. The emissions in Scope 1, 2, and 3 for Samsung Nordic differ from Samsung Global as our Nordic office does not include the production of our products. Also, as mentioned before, Samsung's production accounts for the majority of our emissions globally.

Samsung Nordic's emissions:

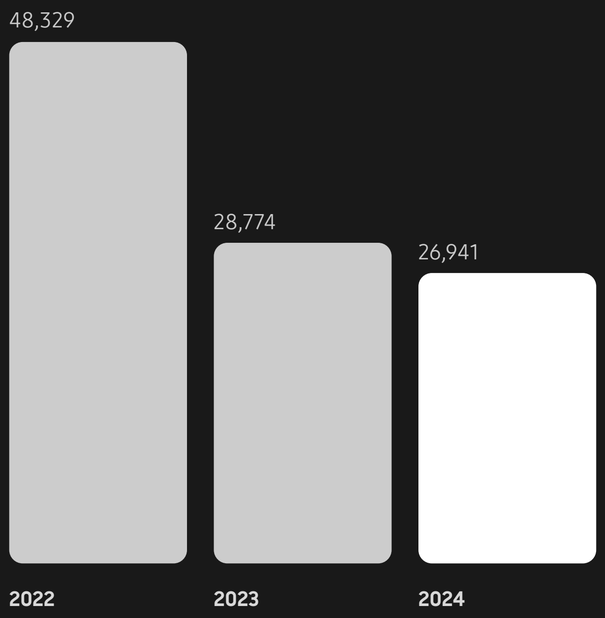
- → Scope 1 emissions include our business travel with leased cars
- → Scope 2 emissions include district heating and electricity consumption at the office facilities
- → Scope 3 emissions include business travel by plane, train, taxi, hotel stays, transportation, and distribution (sea-, road- and airfreight).

Since 2022, our emissions have decreased by 44.3%, primarily due to optimized logistics routes. Between 2023 and 2024, our total emissions saw a reduction of 6.4%, driven by the transition of our car fleet from fossil fuel-based vehicles to electric ones, alongside enhancements in data quality and calculation methods. Diesel usage dropped by 73% and petrol by 49%, while electrical charging increased by 38%. This transition will continue into 2025. Office heating emissions decreased by 39%, primarily due to a change in the calculation method in Finland where we now use a more correct standard figure.

The total electricity emissions for our offices rose by 18%, mainly due to changes in calculation methods in Sweden and Norway. In Sweden, the calculation method shifted from hydro power to the more conservative wind power, using higher emission factors to avoid underestimating carbon impact. In Norway, due to insufficient data on electricity types, a conservative approach with higher emissions assumptions was used to ensure accuracy in reporting environmental impact. In Denmark, the increase was due to actual usage rising.

The emissions factors for air travel underwent significant changes in 2023. Policymakers, including BEIS (the Department for Business, Energy & Industrial Strategy in the UK), adjusted the recommended factor from 2.0 to 1.7 based on new scientific findings. This updated methodology was applied to business travel in 2023, with air freight adjustments following in 2024. As a result, total transport emissions fell by 4%, despite total transportation volumes remaining nearly unchanged.

Total GHG emissions in t CO_2e:



Changes in previous reported data
In the 2023 sustainability report, Samsung Nordic reported a 19.5% decrease in total emissions between 2022 and 2023. Due to an error in data handling, this year revealed a total 40,5% decrease of total emissions between 2022 and 2023.

This year, Samsung Nordic has decided not to report on office supplies and food waste within our Scope 3 emissions due to the factors' low materiality. We have chosen to concentrate on more significant areas in our climate report, where efforts can have a greater impact on reducing overall carbon emissions.

Our emissions

KPIS	2022	2023	2024	COMMENTS
Electricity consumption in the workplace in MWh	2,279	2,518	2,900	Figures for 2022 include property electricity for Sweden and Finland. By 2022, 100% of energy used in Samsung Nordic offices (except Norway) came from renewable sources, an increase from 85% in 2021. (2022) The Norwegian office property electricity is not calculated as renewable energy because of missing information of its origin. Figures for the 2023 result include property electricity for all offices. (2023) The electricity consumption for the Danish and Swedish office in 2024 is estimated based on actual consumption. The electricity consumption for Finland and Norway is calculated on standard figures based on floor area. (2024)
Scope 1 GHG emissions in t CO_2e	438	784	352	In 2024, our Scope 1 emissions decreased by 55% mainly due to our efforts in switching our car fleet to electrical vehicles. (2024)
Scope 2 GHG emissions in t CO_2e	100	166	111	For 2023, charging of electric cars is included in the figures and contributes to the increased emissions. (2023) The decrease of 33% was mainly due to improvements in data methodology.
Scope 3 GHG emissions in t CO_2e	47,791	27,824	26,478	The decrease of 5% for 2024 is mainly due to changes in methodology for office heating in Finland, where we now use a more correct standards figure, but also a slight decrease in business travel. The Nordic Scope 3 doesn't include emissions from production or any of Samsung Global emissions.
Total GHG emissions in t CO_2e	48,329	28,774	26,941	Our total emissions decreased by 40.5 % in 2023. Mainly due to improved logistics routes. (2023) In 2024, our emissions decreased by 6.4% mainly due to electrifying our car fleet and improvements in data methodology. (2024)
Total emissions in relation to revenue ($kgCO_2e$/KEUR)	24.38	16.40	16.56	The result corresponds to the result in turnover and emissions. $KgCO_2e$/KSEK in 2023 was 1.48. (2023) $KgCO_2e$/KSEK in 2024 was 1.44. (2024) For Swedish conversion rate to euro, the figure of 2024 is higher than 2023 despite lower emissions.

Samsung Nordic’s preparations for EU regulations

Samsung Nordic is preparing for upcoming changes as new EU regulations on sustainability are introduced. These regulations will influence how we report and conduct our business, with a focus on sustainability across various operations. The legislative updates will address aspects such as product circularity, packaging and waste, and supply chain transparency. Our teams are actively monitoring these developments and engaging with industry groups to ensure compliance. This overview will explore forthcoming EU regulations and their potential impact on Samsung Nordic.

EU Ecodesign for Sustainable Products Regulation

The regulation seeks to enhance the circularity, energy efficiency, and sustainability of EU products, building on the Ecodesign Directive. It will establish rules for product durability, reusability, and repairability, while limiting substances that hinder circularity. It also addresses energy efficiency, recycled materials, and carbon impact, requiring a Digital Product Passport.

Samsung Nordic’s sustainability, public affairs, and legal teams monitor EU laws, and collaborate with subsidiaries for compliance. We engage with industry groups on new regulations like the Ecodesign for Sustainable Products Regulation (ESPR) and battery rules, preparing for updated Ecodesign rules across Europe for products such as phones, tablets, and home appliances, including the ESPR, DPP, and Right to Repair initiative.

EU Energy Label Regulation

The EU Energy Label Regulation mandates standardized labeling to inform consumers about the energy efficiency and environmental impact of products. It covers a wide range of household appliances and electronic devices, providing clear information on energy consumption and performance. The regulation aims to promote energy-efficient products, reduce energy consumption, and lower carbon emissions across the EU. By offering a straightforward comparison of energy efficiency, the labels empower consumers to make informed purchasing decisions. The regulation supports the EU's broader goals of sustainability and energy conservation.

We have been monitoring and preparing, on a European and Nordic level, for the implementation of the new generation of energy labels, which started in 2021. The relevant Samsung products that have already received the new energy label include: refrigerators and freezers, washing machines, washer-dryers, dishwashers, TVs, and electronic displays. For smartphones and tablets, the energy labeling requirements will apply to products put on the EU market from June 20, 2025 onwards – we are monitoring and preparing for this.

EU Corporate Sustainability Reporting Directive (CSRD)

The aim of CSRD is to guide and align corporations on how to measure and follow up their sustainability efforts. As the Nordic office has been reporting our sustainability efforts since 2017, we anticipate that this will further enhance and support our commitment to continuous improvement in our monitoring processes, rather than the contrary. We are preparing on a European and Nordic level. Samsung Nordic is on track to report in 2026 (for full year 2025). Samsung Global has published preparation details and results from our global double materiality assessment in our global 2024 sustainability report.

EU Battery and Waste Battery Regulation

In 2023, the EU adopted a new regulation addressing batteries and waste batteries to strengthen sustainability standards, covering the entire life cycle of batteries. The regulation outlines end-of-life requirements, including collection targets, obligations, material recovery targets, and extended producer responsibility.

At Samsung, on both a Nordic and global level, we are evaluating these requirements and developing compliance strategies.

EU Packaging and Packaging Waste Regulation (PPWR)

The Packaging and Packaging Waste Regulation (PPWR) aims to harmonize national measures for the management of packaging to prevent or minimize environmental impact. At Samsung, we are proactively reducing packaging by decreasing weight and increasing the use of recycled materials. For example, our paper packaging is made from 100% FSC-certified and recycled paper.

We are also progressively shifting from plastic tape to paper and glue. However, we are also closely monitoring the upcoming updates of the directive in order to understand if we will need to update our packaging even further than what is already planned for the years ahead.

EU Corporate Sustainability Due Diligence Directive (CSDDD)

The CSDDD, or EU Corporate Sustainability Due Diligence Directive, requires companies to assess and address human rights and environmental impacts in their supply chains. It aims to integrate sustainability into corporate governance, ensuring responsible business conduct. The directive mandates due diligence, stakeholder engagement, and grievance mechanisms to promote sustainable development and accountability within the EU.

Samsung Nordic is monitoring and preparing for CSDDD on a European and Nordic level.

EU Forced Labor Regulation (FLR)

The EU Forced Labor Regulation aims to prevent products made with forced labor from entering the European market. It requires companies to identify and address forced labor risks within their supply chains. The regulation mandates due diligence processes to ensure compliance and transparency. It seeks to uphold human rights and promote ethical business practices by holding companies accountable for labor conditions in their supply chains.

Samsung Nordic is monitoring and preparing for FLR on a European and Nordic level.

Recycling and e-waste

Samsung is dedicated to advancing a circular economy by recognizing the inherent value in waste and developing recycling technologies. On a global level, our initiatives include various programs, such as the recycling of used smartphones. Our goal is to establish e-waste collection systems in over 180 countries by 2030. Currently, we are operational in approximately 70 countries.

Another one of our global goals is to achieve zero waste to landfill from our manufacturing sites by 2025. Our Zero Waste-to-Landfill program evaluates companies' efforts in resource circularity and categorizes them into four grades:

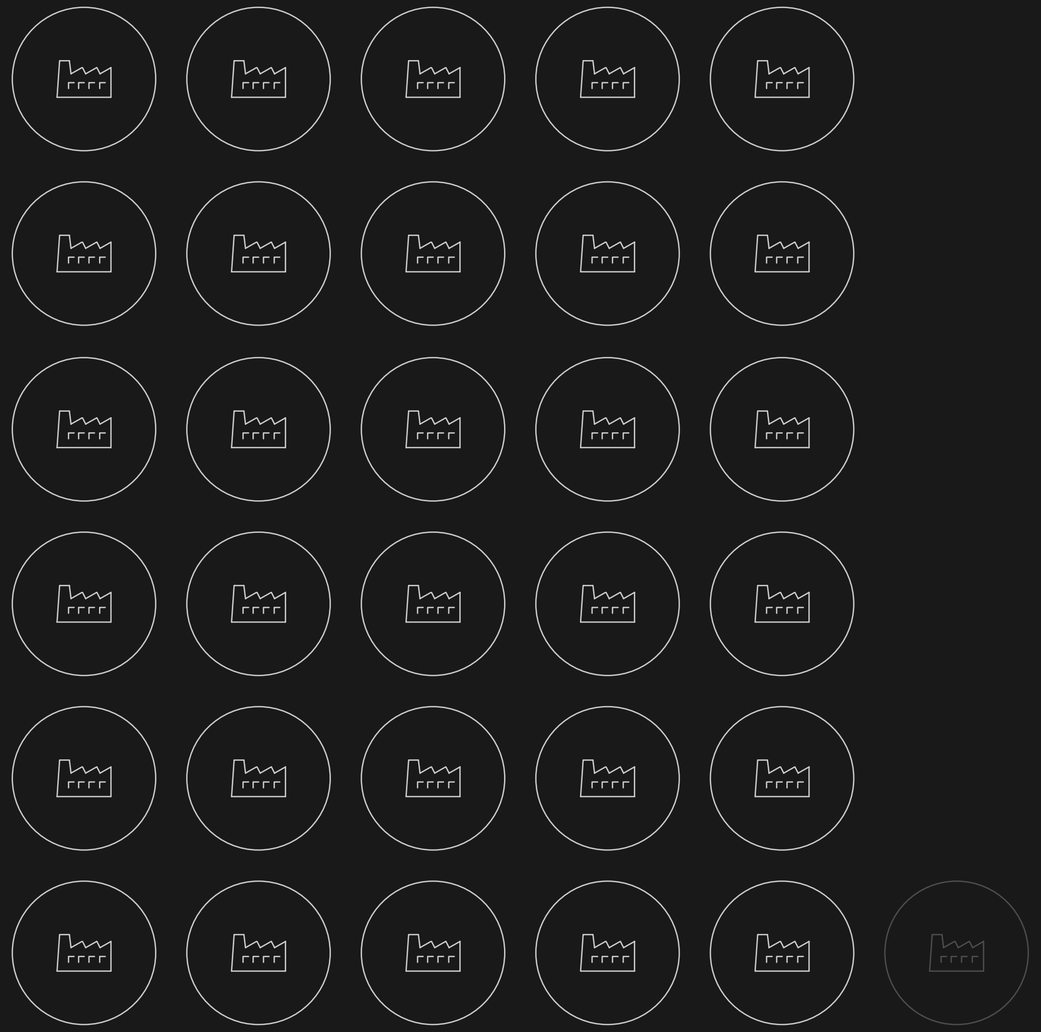
→ Platinum for 100% waste diversion

→ Gold for 95-99%

→ Silver for 90-94%

→ Landfill Waste Diversion Claim for 80% or higher

By 2025, we aim to attain the highest Platinum designation for all of our manufacturing sites. In 2023, 30 of our 31 manufacturing sites have obtained the Zero Waste-to-Landfill mark granted by Underwriters Laboratories (UL)*, an increase from 23 manufacturing sites in 2022.



30 of our 31 manufacturing sites have obtained the Zero Waste-to-Landfill mark

* UL (Underwriters Laboratories) evaluate a company's resource circularity efforts and assigns four levels of certification based on the percentage of waste generated by a business that is diverted from landfills. Platinum 100%, Gold 95-99%, Silver 90-94%, Certified 80% or higher (decimals are rounded up, 99.5% is rounded up to 100%)

Producer responsibility and recycling in the Nordics

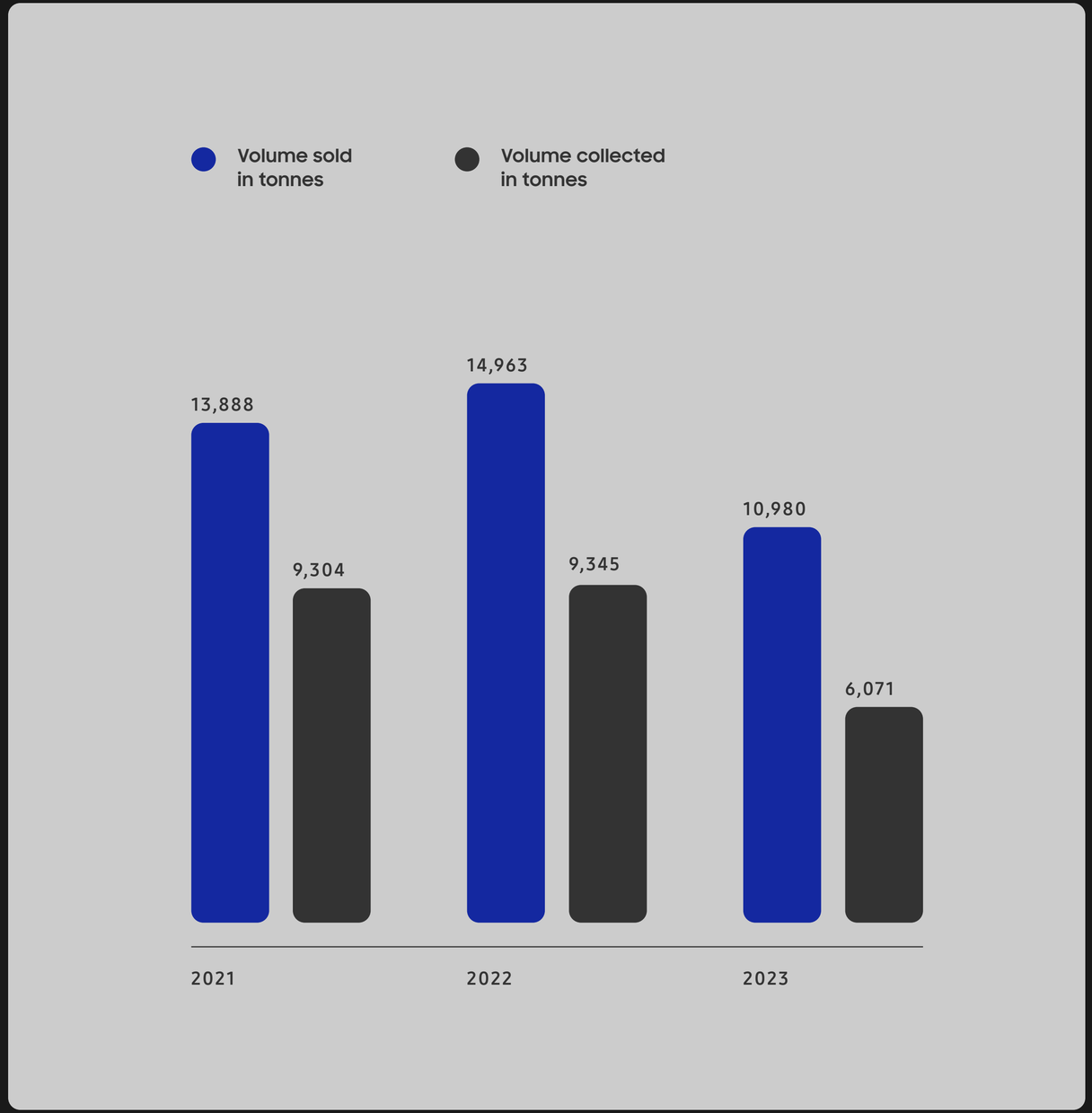
As part of our producer responsibility initiatives, we are registered with each country's respective environmental protection agency. We are also registered with Producer Responsibility Organizations (PROs) in each Nordic country. These PROs are authorized by the EPA, ensuring their compliance with directives. They are responsible for the collection, recycling, and disposal of all electronic waste. As producers, we receive ongoing information about the volume of products collected throughout the year.

OUR NORDIC PRO'S:

Sweden: El-Kretsen
Denmark: Elretur
Norway: Norsirk
Finland: Serty

In Norway and Denmark, we have been provided with specific data on the collection volume of our own products since 2020. We have then compared it with the amount of products sold in these markets to better understand how much of our products return through the recycling scheme. We have similar data for Sweden as well from 2022. Our PRO in Finland is yet to provide collection data for Samsung products specifically but they will soon follow the other PROs and provide the necessary data.

We constantly work on improving the data quality for waste electrical and electronic equipment-collections (WEEE). We will encourage our consumers to continue to report the data of our collected products, as well as look into the possibilities for our Nordic PROs to harmonize their data collection processes in order for the data to become more accurate and comparable.



Changes in number are due to:
- → Sales have decreased in 2023 compared to the previous year.
- → The recycling programs are constantly collaborating with municipalities to collect products and encourage recycling.
- → We have also launched a trade-up program in SENA where Samsung offers an exchange service for their old TV products, thus helping to increase the recycling rate.

Recycling data Samsung Nordic

The Danish Environmental Protection Agency

In Denmark, The Danish Environmental Protection Agency oversees the enforcement of packaging regulations, which include requirements for producers to report packaging usage and recycling efforts. Recently, Denmark has updated its packaging reporting rules to align with the latest EU directives and national sustainability goals. Samsung's roles and responsibilities include:

- → Registration - Ensuring that our company is registered with the appropriate Danish authorities for packaging reporting.
- → Data Collection - Accurately track and collect data on all packaging materials we place on the market.
- → Reporting - Submit detailed reports on packaging usage, recycling efforts, and compliance with the updated targets within the stipulated deadlines.

- → These numbers do not include information on e-waste collection or products put on the market for some of our customers. Some of our customers report themselves.
- → The numbers for 2024 could not be obtained before this report was published. We aim to include them in the next year's sustainability report
- → Data from Denmark includes batteries
- → Data from Norway does not include batteries
- → Finland does not have Samsung specific data for volume collected
- → This year includes updates in reported data, being able to provide numbers for Sweden and Finland

Volume sold in tonnes

	2021	2022	2023	Comments
Denmark	1,585	1,333	971	
Finland	1,388	1,459	1,169	Data from Finland does not include batteries
Norway	375	302	572	Data from Norway does not include batteries
Sweden	10,540	11,869	8,268	
Total volumes sold in tonnes	**13,888**	**14,963**	**10,980**	

Volumes collected in tonnes

	2021	**2022**	**2023**	**Comments**
Denmark	719	798	611	
Finland	N/A	N/A	N/A	Volumes collected in tonnes is not available for Finland for the specified years
Norway	161	137	216	
Sweden	8,424	8,410	5,245	Data for Sweden 2021 is based on standard value
Volumes collected in tonnes	**9,304**	**9,345**	**6,071**	

From waste to resource

As part of our commitment to recycling, Samsung established The Circular Economy Lab in 2022, located in Suwon, South Korea. The Circular Economy Lab is part of Samsung's effort to improve resource efficiency and reduce environmental impact through innovative recycling. In 2024, the lab successfully transformed EPS styrofoam from Samsung packaging into high-quality plastic, paving the way for expanded recycling efforts and advancing circular economy practices.

Exploring new recycling processes

The goal of the Circular Economy Lab is to establish a resource circulation ecosystem while discovering recycling technology. Samsung is focusing on securing a supply chain system and developing technology for plastic materials, which have high usage and significant environmental impact during manufacturing and disposal stages.

For waste that has limitations in quality improvement due to physical recycling, the lab is exploring new recycling processes and supply chain ecosystems. Together with government agencies the lab also works to improve related systems so that verified recycling solutions can expand in the market and many supply chains can participate.

Pioneering high-quality recycling during 2024

In 2024, the lab recycled the packaging material EPS styrofoam, collected after shipping Samsung products, into high-quality plastic through melting. Recycled materials have similar quality and functionality as new, petroleum-based materials, meaning they can be used in the same way. In the future, there are plans to start recycling styrofoam from broader sources, which would increase the amount of material that can be recycled and reused.

By elevating the quality and economic viability of recycled materials, the lab aims to foster broader industry participation and drive meaningful progress in circular economy practices.

Encouraging partner solutions for enhanced circularity

Looking ahead, the Circular Economy Lab plans to expand its focus beyond plastics to include high-carbon materials like iron, aluminum, and glass, as well as rare metals such as gold, cobalt, and lithium. The lab intends to explore high quality recycling processes and collaborate with supply chains and partners to reduce environmental impact across these materials.

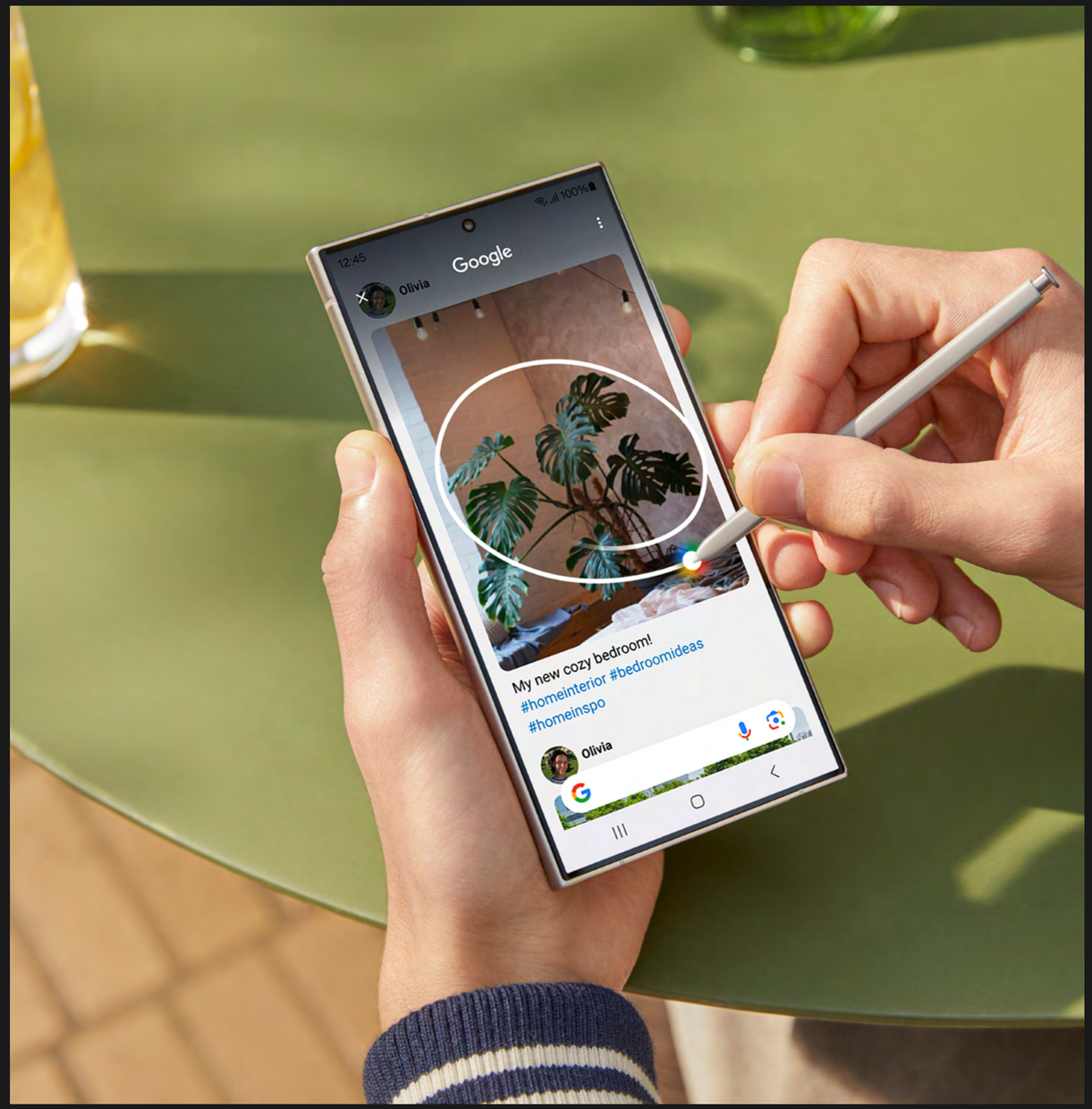
By sharing the outcomes of new processes and innovations, the aim is to encourage partners to propose effective solutions, driving further advancements in circularity.

Reducing waste by replacing the frame

Samsung has taken a further step towards circularity with the launch of the Eco-Conscious Repair initiative. This program allows for the repair of Samsung Galaxy phone screens, TV and monitor screens, by specifically targeting and replacing only the broken LCD panel, while preserving the bracket and frame for reuse. This approach not only reduces the cost for customers but also cuts down on electronic waste.

The service is made in collaboration with partners, and we work closely with authorized Samsung service centers where the product is sent, and trained technicians use original Samsung spare parts to repair the product.

Going forward, Samsung aims to expand the Eco-Conscious Repair initiative to more product categories, and further help our customers in prolonging the life of products.



05

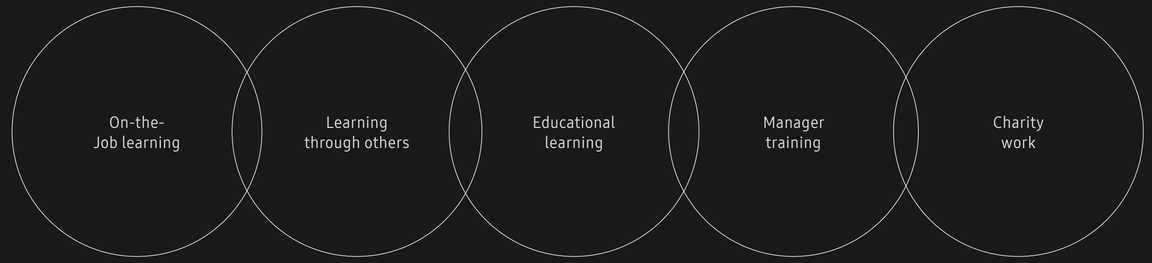
Employees

Samsung is its people

One of our core values is people. Quite simply because our business success depends on the skills of our people. Therefore, we are committed to providing a stimulating working environment where the finest human talent wants to work, contribute, and thrive.

We offer:

We encourage:

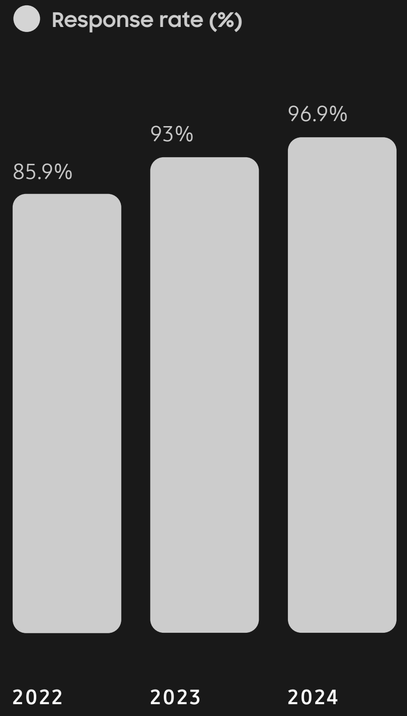


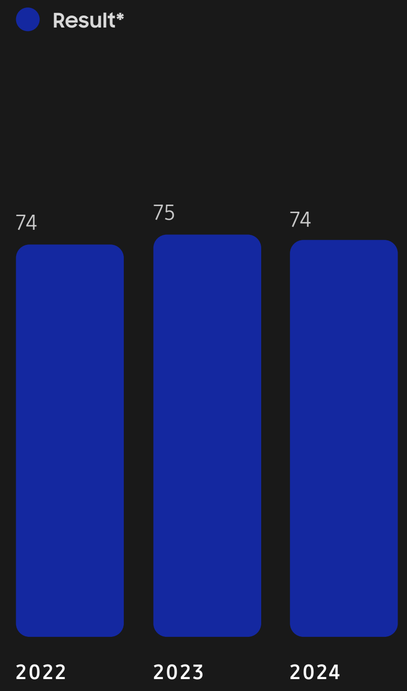
Find out more about our human resource management p. 36-38

2024 Global Sustainability Report →

Job Satisfaction Index for Samsung Nordic

In 2024, our Job Satisfaction Index measured a result of 74 of 100, with a response rate of 96.9%. The result is similar to the result from the 2023 survey. In total, we have improved the result by 23 points since the first year the survey was conducted (51 points in 2013).





*The Job Satisfaction Index only measures positive score, meaning that the SCI score is the percentage of respondents giving a rating of 4 or 5 on a scale from 1-5.

Two nominations and one win

Career company of the year 2024

At Sweden's largest HR event organized by Karriärföretagen, Samsung Nordic received significant recognition. We were honored to be nominated as Role Model of the Year in Employer Branding and Role Model of the Year in HR.

Additionally, our HR Director, Helena Fidan, achieved a win by being awarded HR Director of the Year in Tech. "I am personally incredibly happy and proud of this award. It is truly an honor that all the great work that we do together at Samsung is recognized. It is the creativity and diversity of our people that has made us one of the most innovative companies in the world.".

This recognition underscores our commitment to fostering a dynamic and inclusive workplace.

"Together, we can achieve the impossible, but to do so, we must ensure that everyone feels well"

Helena Fidan has played a key role in our initiative to promote a healthy work environment through the collaboration with BlueCall to enhance employees' mental health.

"We are convinced that a company is defined by its employees, and our goal is to ensure that they feel as good as possible. The collaboration with BlueCall is part of Samsung's strategy to manage changes and challenges in our rapidly evolving industry. Through BlueCall's services, Samsung can offer online therapy and coaching.

We organize internal step challenges to motivate each other to be more physically active in everyday life and offer seminars on work-life balance as well as other inspiring presentations.

We believe that good mental and physical health is a prerequisite for our employees to reach their full potential and develop with us. Together, we strive to achieve the impossible, but to do so, we must ensure that everyone feels well."

HELENA FIDAN
HR Director, Samsung Nordic

The importance of diversity and equal opportunities

Creativity and innovation are driven by different perspectives coming together. We succeed not in spite of our differences, but because of them. Our work is supported by the Samsung Nordic Diversity and Equality Policy.

About our Diversity and Equality policy:

→ Promote the development of a high-performance culture

→ Ambition of becoming a top employer in the market

→ Reviewed on an annual basis in order to reflect any significant changes in legislation, regulation, rules, or industry guidance

Regarding salaries, we do not discriminate in any way in salary negotiations, promotion, and disciplinary processes.

Our grievance function

To support employees on what to do in the event of the policy being infringed, Samsung Nordic has a grievance function in place. In 2024, one grievance were reported to Samsung Nordic. The matter was investigated according to policies and our grievance processes in place, and communicated to parties involved. No grievances regarding human rights were reported.

CATEGORY	2022	2023	2024	COMMENTS
Total number of employees	414	409	391	
Employees	313	308	288	
Consultants	101	101	103	
Management				
Managers	74	86	85	
Directors	12	13	16	
Gender Diversity				
Female Employees (%)	37.37%	36%	32.70%	
Female in Management (%)	27.63%	33%	32.94%	
Female Directors (%)	16.70%	15.40%	25%	
Sickness Absence				
Sickness Absence (%)	1.79%	1%	0.63%	Figures only include Sweden
Training hours				
Avg. Training Hours per Employee	26	20	47.30	
Avg. Training Expenses per Employee (EUR)	800.45	471.50	655	

Proud Alliance

Fostering an inclusive culture

We are committed to driving Samsung towards becoming an even more inclusive employee.

An important initiative in our effort to ensure everyone feels included is the Proud Alliance which was founded this year as an Employee Resource Group (ERG). Proud Alliance focuses on supporting and promoting the LGBTQ+ community within the company. These groups, formed by employees with shared interests, play a crucial role in fostering an inclusive culture.

The Proud Alliance is not about putting the Samsung logo in rainbow colors. Its internal work is to ensure Samsung is an inclusive workplace.

Proud Alliance is an ERG that spans across Europe, already with around 150 members, and with the goal of raising awareness about LGBTQ+ issues. The mission is to build a workplace that not only understands and supports, but also actively promotes the LGBTQ+ community. During the year, some initiatives have been reviewing policies, whistleblower functions and conducting manager training to increase awareness.

“I’m grateful my ambition was recognized and invested in”

As part of empowering the next generation, we have created the Samsung Nordic graduate program. By investing in young talent, Samsung builds a strong foundation of future leaders and harnesses new ideas and perspectives that can foster innovation and business growth. In September 2023, Sara Boe joined the program in Norway.

“Being a graduate at Samsung is incredibly rewarding. I’m given tasks similar to regular employees, but with adjusted expectations, creating a learning environment where perfection isn’t mandatory. This significantly enhances my learning. The program includes mentorship, allowing me to present ideas and discuss thoughts with experienced colleagues.

A program highlight was when one of my ideas was recognized, allowing me to shape my role further. This led to my responsibility for the local Gen Z strategy in Norway, working with influencers and events. I’m grateful my ambition was recognized and invested in.

The investment in young talent through a structured graduate program provides a solid foundation, reflecting a commitment to long-term development. The supportive corporate culture encourages growth, with colleagues offering feedback and promoting each other’s progress.”

SARA BOE
Associate, Samsung Nordic graduate program

06

Human rights

Global commitments to respect human rights

At Samsung, we believe that respecting and promoting human rights is fundamental to our business and the communities we serve.

Navigating global supply chains

From the sourcing of materials and the manufacturing of components to the assembly of finished products, the electronics industry is intrinsically global. In 2024, we worked with more than 2,500 first-tier suppliers and partners across the world. However, a world of opportunities brings with it a world of responsibilities.

Addressing supply chain complexities

The production of electronic devices often involves complex supply chains that span multiple countries and involve numerous suppliers. If not properly monitored, this complexity could lead to situations where workers' rights are not fully respected, such as in cases of forced labor, child labor, or unsafe working conditions. Additionally, the extraction of raw materials used in electronics can have significant impacts on local communities, including environmental degradation and displacement.

Building a responsible supply chain

Samsung is committed to making a positive impact on workers in our value chain and the communities affected by our operations. We recognize that while we have direct control over our own operations, we must also work diligently to ensure that human rights are respected throughout our supply chain.

To achieve this, we have implemented a set of policies and practices designed to mitigate risks and promote human rights.

Policies and guidelines for a responsible business

Our policies play an important role in guiding our commitment to environmental, social, and governance (ESG) areas. They help us operate responsibly across all areas of our business. Examples of policies include:

- → Environment, Health & Safety Policy
- → Correct Disposal of Waste Electrical & Electronic Equipment
- → Samsung Electronics Global Human Rights Principles
- → Migrant Worker Policy
- → Global Grievance Resolution Policy
- → Child Labor Prohibition Policy
- → Anti-Discrimination and Harassment Policy
- → Global Code of Conduct
- → Supplier Code of Conduct
- → Global Anti-Corruption and Bribery Policy

Find out more about our global policies and guidelines:

Samsung Global Website →

Samsung Electronics Global Human Rights Principles

We continuously work with improving our policies and guidelines. In February 2023, Samsung released the Samsung Electronics Global Human Rights Principles (the Policy) which outline our commitment to respect human rights and its basic principles.

The Policy is an expression of our intention to respect the human rights of all people in accordance with international human rights standards and principles, our commitment to prevent human rights violations of our stakeholders that may occur during our global business activities, and our promise of providing effective remedies if any harm occurs.

The Policy also introduces human rights due diligence methods, eleven salient human rights impacts identified as the company's actual and potential human rights risks, and human rights governance addressing how to manage these risks, to fulfill our commitment. In April 2024, Samsung unveiled its Global Grievance Resolution Policy to handle incoming grievances more fairly and consistently.

Responsible supply chain

Samsung has implemented a human rights due diligence process throughout our entire supply chain. Aligned with the UNGP, we proactively identify, prevent, and mitigate both actual and potential adverse human rights risks across our business operations, supply chain, and business relationships.

On a global level, we conducted comprehensive supplier evaluations and introduced third-party audits for selected second-tier suppliers in Asia. Additionally, we resumed special audits on forced labor for migrant workers to ensure ethical practices are upheld.

Samsung's actions on our salient human rights risks

Find out more about our human rights efforts p. 39-44

2024 Global Sustainability Report →

WHAT'S THE RISK?	WHO'S IN CHARGE?	WHO'S ACTUALLY OR POTENTIALLY AFFECTED?	WHAT'S THE ACTION TO ADDRESS THE RISK?
Working hours and adequate standard of living	· People Team · Partner Collaboration Center	· Our employees · Workers in the supply chain	· Internal monitoring and third-party audits · Industry network engagement Working hours: · Pre-building of new products prior to their official release · Regular review of working hours at our production sites and suppliers · Review of shift patterns, in compliance with our internal standards, at our production sites Standard of living: · Calculation of living wage based on Anker methodology with third-party experts · Gap analysis between wages paid at our production sites and living wages
Forced labor and child labor	· People Team · Partner Collaboration Center	· Our employees · Workers in the supply chain	· Internal monitoring, including of government and NGO reports, and third-party audits · Industry network engagement Forced labor: · Development of tailored audit tool for our production sites employing foreign migrant workers · On-site audits of our production sites and dormitories · Face-to-face interviews with foreign migrant workers on their working and living conditions Child labor: · Employment management system · Age verification process · Capacity-building and training
Freedom of association and collective bargaining	· People Team · Partner Collaboration Center	· Our employees · Workers in the supply chain	· Internal and third-party audits · Reinforcement of relevant provisions in Code of Conduct · Labor and Human Rights Council overseen by the Board of Directors · Capacity-building and training · Dialogues and collaboration with employee representative bodies, including labor unions and Works Councils
Occupational health and safety	· Global EHS Center · Partner Collaboration Center	· Our employees · Workers in the supply chain	· Internal and third-party monitoring · Acquiring and retaining internationally recognized EHS certifications at all of our business sites · Establishing a monitoring system for all of our global production sites · Development and adoption of new protective gear · Safety capacity-building and training, building experts

Samsung's actions on our salient human rights risks

Find out more about our human rights efforts p. 39-44

2024 Global Sustainability Report →

WHAT'S THE RISK?	WHO'S IN CHARGE?	WHO'S ACTUALLY OR POTENTIALLY AFFECTED?	WHAT'S THE ACTION TO ADDRESS THE RISK?
Non-discrimination, diversity and inclusion	· People Team · Partner Collaboration Center	· Our employees · Workers in the supply chain · End users/Consumers · Local communities/Society	· Internal and third-party audits · Internal DEI network · Capacity-building and training · Annual Employee Surveys (Samsung Culture Index) · Industry network engagement
Anti-harassment	· People Team · Partner Collaboration Center	· Our employees · Workers in the supply chain	· Internal and third-party audits · Capacity-building and training · Annual Employee Surveys (Samsung Culture Index)
Product responsibility including AI ethics	· Corporate Sustainability Center · R&D Teams at each Business Unit · Samsung Research	· End users/Consumers	· AI Ethics Principles of fairness, transparency, and accountability · Guidelines on AI Ethics · Provision of AI models and data card templates · Online training
Digital responsibility including privacy and freedom of expression	· Information Security Center · Global Privacy Office · Communications Team · Partner Collaboration Center	· Our employees · Workers in the supply chain · End users/Consumers · Local communities/Society	· Provision of products and services in compliance with Samsung Privacy Protection Principles including transparency, security, and choice · Enabling freedom of expression in products and services
Environmental responsibility	· Global EHS Center · Partner Collaboration Center · Corporate Sustainability Center	· Our employees · Workers in the supply chain · End users/ Consumers · Local communities/Society	· Announcement of the New Environmental Strategy incorporating emissions reduction, new sustainability practices, and innovative technologies and products · Acquiring and retaining internationally recognized environment and energy certifications
Supplier responsibility	· Partner Collaboration Center · Purchase Teams · Global EHS Center	· Workers in the supply chain	· Responsible purchasing practice requirements in contracts and evaluations of suppliers · Self-assessments, internal and third-party monitoring · Regular verification of supplier data · Capacity-building and training
Responsible minerals sourcing	· Partner Collaboration Center · Purchase Teams · Corporate Sustainability Center	· Workers in the supply chain · Local communities/Society	· Participation in grassroots projects · Capacity-building and training · Industry network engagement

Our responsible minerals management process

Minerals like tantalum, tin, tungsten, gold, and cobalt have gained increasing public attention due to their frequent procurement through illegal means from conflict affected and high-risk areas. This heightened scrutiny has created a growing call for corporate action on responsible minerals sourcing.

At Samsung, we have prohibited the use of illegally sourced minerals, and are actively working to ensure compliance. For instance, we continuously monitor our suppliers by expanding the scope of our monitoring efforts. We acknowledge the challenges inherent in this task, but through various strategies and processes, we are working to ensure that our entire supply chain aligns with the OECD Due Diligence Guidance for conflict minerals.

We also understand that alone, strength is limited. Therefore, we collaborate with other global companies by taking part in umbrella organizations, such as the Responsible Business Alliance's (RBA) Responsible Minerals Initiative (RMI) and the European Partnership for Responsible Minerals (EPRM).

Our responsible minerals management process demonstrates our commitment to eliminating conflict minerals and promoting responsible minerals sourcing:

01

Raise suppliers' awareness

- → Require that all first-tier suppliers commit to banning the use of conflict-affected and high-risk minerals by submitting a written pledge
- → Distribute the conflict-affected and high-risk minerals management guide and support working-level training
- → Require that lower-tier suppliers expand their policies to ban the use of conflict-affected and high-risk minerals and to source ethically and responsibly

02

Inspect the use of conflict-affected and high-risk minerals in the supply chain

- → Monitor data on all first-tier suppliers' use of conflict-affected and high-risk minerals as well as smelters' use of such minerals in the supply chain

03

Conduct reasonable due diligence and verify the outcomes of inspections

- → Conduct on-site inspections for the verification of data submitted by suppliers

04

Verify and assess risk factors within the supply chain

- → Categorize suppliers into four rating groups based on inspection results

05

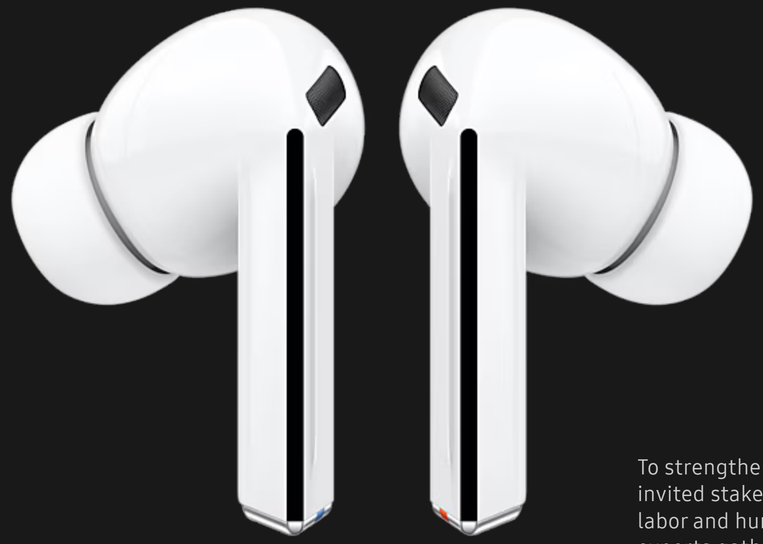
Develop improvement plans for risks and report relevant data

- → Restrict transactions with suppliers that work with any smelters not certified by third-party organizations
- → Recommend smelters in the supply chain to become third-party certified

Find out about our work to eliminate conflict minerals

2024 Responsible Minerals Report →

Enhancing human rights in our operations



To strengthen our commitment to human rights, we invited stakeholders to our first official workshop on labor and human rights in September 2023. Here, global experts gathered to discuss critical issues and ensure that our practices align with international standards. Through collaboration and dialogue, we aimed to enhance our understanding and implementation of human rights across our operations.

This workshop, which we plan to hold regularly, brought together 11 international experts. Among them was a human rights professor from the University of Notre Dame and specialists from organizations such as the International Organization for Migration (IOM), the Institute for Human Rights and Business (IHRB), the Responsible Business Alliance (RBA), the International Organisation of Employers (IOE), the Global Business Initiative on Human Rights (GBI), the Centre for Sport and Human Rights (CSHR), the International Labour Organization (ILO), the Business & Human Rights Resource Centre (BHRRC), the International Trade Union Confederation (ITUC), and the Office of the United Nations High Commissioner for Human Rights (OHCHR).

During the workshop, we demonstrated our commitment to human rights, gained insights into global trends, and clarified what our stakeholders expect from us. We also received valuable advice on how to meet these expectations.

Key topics included access to remedy, the intersection of human rights and environmental issues, and how we ensure accountability from product creation to its use.

The recommendations we received from stakeholders were compiled and distributed to relevant departments to integrate them into our business operations.

The Norwegian Transparency Act

Due to increased global demand for supply chain transparency, Norway recently strengthened legislation in this regard. On July 1, 2022, the Norwegian Transparency Act (NTA) entered into force. The act mandates companies, falling under a defined threshold in Norway, to conduct due diligence assessments covering their own business and supply chain.

Additionally, companies are required to publish an annual report of these due diligence assessments. They must also respond to any reasonable request for access to information on human and labor rights within their own business and supply chain. If you have any questions about this, please send an e-mail to: nta@samsung.se

Samsung Nordic falls under the act, and in 2024 we published our second NTA. It includes a detailed explanation of how Samsung Nordic operates our labor and human rights due diligence process.

Under the act, anyone has the right to inquire about access to information on how a business within the scope of the law addresses human and labor rights risks in its own business and business operations globally. This includes the general public including private individuals, businesses, and journalists.

We constantly strive to improve the availability of our supplier data and business operations. As a global leader in the manufacture of electronic products, Samsung is reliant on a network of 2,515 first-tier suppliers.

Find out more about our labor and human rights due diligence processes:

2024 Norwegian Transparency Act Report →

The Norwegian Transparency Act (NTA) is intended to strengthen the impact of international guidelines and principles for responsible business, such as the UN's Guiding Principles for Business and Human Rights (UNGP) and the Organization for Economic Co-operation and Development guidelines for multinational enterprises (OECD).

07

Corporate citizenship

Supporting local development and strategic partnerships

Find out more about our corporate citizenship and what we do on a global level in the 2024 Global Sustainability Report, p. 45-47.

2024 Global Sustainability Report →

As one of the world's leading global technology companies, we recognize that our responsibility extends well beyond our immediate business activities. We call our social sustainability work corporate citizenship as we are a part of the societies where we operate and are committed to contribute to their development in a positive way. Corporate citizenship is good for communities, and good for us as a company. It enables us to build positive relationships and increase business opportunities in our respective markets.

Aligned with Samsung's global vision, Together for Tomorrow! Enabling People, we support local development and strategic partnerships in the Nordics. Our focus is on preparing young people for the global labor market through digital innovation initiatives and training, aiming to bridge the digital gap and promote diversity.

"It was amazing to see the creative solutions the students developed"

As part of our desire to motivate the innovators of the future and give back to the community, Samsung Electronics works with several CSR initiatives, including the global Samsung Solve for Tomorrow program. Solve for Tomorrow was introduced in the Nordic countries in 2021 and the platform encourages young people to use technology to solve societal challenges. Mika Engblom has witnessed the development of Samsung Nordic over two decades, particularly in Finland, and is proud of what the company contributes to society.

"As a global technology company, we have a responsibility to set clear goals to protect our environment and promote the well-being of people and communities. Solve for Tomorrow is a fantastic example of how we empower communities, especially in the education sector, by providing a platform for creative problem-solving and innovation.

During 2024 we launched a program, together with the science school Tiedekoulu in Finland, where middle school students were tasked with solving social challenges using AI and technology. It was amazing to see the creative solutions the students developed.

Going forward, Solve for Tomorrow will continue to evolve to meet global trends and needs. I see the program as one of the most important strategies, alongside our traditional sales and marketing strategies. Our brand lives through the value and experiences we create for people and communities."

MIKA ENGBLOM
Director MX & Country Manager Finland, Samsung Nordic

08

Governance

Compliance is our foundation

Navigating global regulatory landscapes

Working with compliance is crucial for any company to ensure that it operates within legal and ethical boundaries. This is especially important for global companies as operating in many different markets means having to navigate a wide variety of laws and regulations. Apart from minimizing the risk of fines or penalties, working with compliance can help companies avoid potential legal issues and maintain a positive reputation with customers, employees, and other stakeholders.

Commitment to ethical business practices

Samsung Nordic is committed to acting fairly, professionally and with integrity in all business interactions. We work with global compliance teams worldwide and have a compliance management system in place to manage compliance-related risks. We provide area-specific policies, practice regional issue monitoring and manage compliance training. In Samsung Nordic, compliance topics are managed by the Legal and the Internal Audit and Risk Departments.

Streamlining compliance management

The global compliance management system CPMS is used to manage and report all compliance training in the Nordic countries. Samsung Nordic's compliance team (part of the Legal Department) is responsible for updating and monitoring the various global and local policies and routines, managing contracts, global policies and procedures as well as driving key compliance topics such as marketing, privacy, intellectual property rights and anti-corruption.

Compliance training and education initiatives

Comprehensive training programs

We regularly conduct training on regulatory compliance. In 2024, we offered introductory courses to legal and regulatory compliance for all employees (including anti-corruption and GDPR), insights on compliance including extra material for competition law and sustainability, as well as GDPR training courses for everyone, also more advanced competition law training, marketing law training as well as more advanced GDPR training for employees in specifically chosen areas.

Zero tolerance for corruption

Samsung Nordic has a zero tolerance approach to all forms of corruption or bribery. All business decisions must be only based on legitimate business processes and all employees must ensure that they comply with all applicable anti-corruption and anti-bribery laws. We have policies in place for anti-corruption, gifts, hospitality, samples, and donations.

Data protection and privacy policies

In relation to data protection, we apply privacy policies in order to provide transparent information to those affected by Samsung Nordic's personal data processing, and to protect these individuals from violations of their personal privacy. Our Privacy Protection Manager leads the local work on data protection and coordinates with Samsung's European Data Protection Office when necessary. Work regarding data protection within Samsung Nordic is ongoing.

Monitoring and reporting compliance violations

Any compliance violations are reported upon request by management through system monitoring or internal audits and are managed by the Internal Audit and Risk and Legal teams. Follow-up and disciplinary action may be taken according to the severity of the concerned issues. In 2023, no compliance violations regarding corruption and bribery, customer privacy or environmental laws and regulations were reported.

Compliance performance metrics

KPIs	2022	2023	2024	COMMENTS
Training participation				
Number of employees who received compliance training (including anti-corruption and bribery)	483	389	399	Samsung Nordic had 399 course participants, exceeding the total amount of 391 employees, as the count includes former employees.
Number of new employees who received Compliance, Integrity, and Ethics training	483	389	399	
% of employees who received personal data protection/GDPR training	100%	100%	96%	
Number of employees who received competition law training	132	112	86	All employees working with sales
Number of incidents				
Number of substantiated complaints regarding breaches of customer privacy and losses of customer data received from regulatory agencies	0	0	0	
Number of incidents of corruption and bribery	0	0	0	
Number of incidents for non-compliance with environmental laws and regulations	0	0	0	

About this report

As a leading global company, Samsung takes social and environmental responsibility seriously. Samsung Nordic's sustainability performance is closely related to Samsung's performance at a global level. Samsung's environmental, social, and economic activities and achievements at global level are presented in the Global Sustainability Report 2024. The next global sustainability report is expected to be published in summer 2025.

About Samsung Nordic

Samsung Nordic AB is a wholly owned subsidiary of Samsung Electronics Co. Ltd, South Korea embedded in the global Samsung network. We began operations in 1992 to act as a sales and marketing company for the Nordic market.

Samsung Nordic conducts its operations through a limited company based in Kista, Sweden, and through branches in Finland (Samsung Electronics Nordic AB, Suomen Sivuliike), Denmark (Samsung Electronics, Filial af Samsung Electronics Nordic AB) and Norway (Samsung Electronics, Filial av Samsung Electronics Nordic AB). Samsung Nordic's six departments report directly to the Chairman and CEO.

Samsung Nordic purchases all products from Samsung factories outside of the Nordics and ships them either to its central warehouse in the Netherlands, to Samsung Nordic's warehouses in Sweden, or directly to customers. Samsung manufactures the majority of its products in-house. Most products are manufactured in Southeast Asia, South Korea, and Europe.

This sustainability report has been prepared in accordance with Chapter 6 of the Swedish Annual Accounts Act (Årsredovisningslagen).

SAMSUNG