

Samsung Migrant Worker Guidelines

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Samsung Electronics Co., Ltd (“Samsung”) shall continuously strive to provide safe working conditions, treat its employees with respect and dignity, ensure its business operations are not harmful to the environment, and conduct all activities ethically and responsibly in full compliance with applicable local laws and regulations of the countries in which Samsung operates its business. Samsung is also dedicated to respecting and protecting human rights, and we consider this to be our most important obligation as a member of a global society.

Reflecting on the above commitment, the Samsung Migrant Worker Guidelines (the "Guidelines") set out minimum requirements for the ethical and transparent recruitment process of migrant workers in Samsung’s worksites and its suppliers where Samsung’s facilities operate. Namely, any recruitment or placement fees imposed on migrant workers by recruitment agencies, sub-agents, or third parties are strongly prohibited during the recruitment process. As a dedicated member of the Electronic Industry Citizenship Coalition (EICC), Samsung fully complies with EICC's Code of Conduct (Version 5.1), a core requirement that contains a set of standards on social, environmental and ethical issues in the electronics industry supply chain.

Moreover, Samsung’s worksites, and suppliers providing goods or services to Samsung, must comply with applicable local labor laws, as well as Samsung’s Business Conduct Guidelines, Samsung Supplier Code of Conduct, and take immediate and effective measures to address instances of forced, bonded or indentured labor and human trafficking, and also ensure the prohibition and elimination of the worst forms of child labor. Samsung shall also periodically conduct appropriate due diligence, monitoring, and training programs to screen and manage Samsung’s suppliers and recruitment agencies.

Samsung strongly supports the right of voluntary labor and is committed to banning participation in, or imposition of, forced labor by means of mental or physical bondage in accordance with the California Transparency in Supply Chains Act and the UK Modern Slavery Act. Samsung also respects and protects fundamental human rights taking into account international human rights principles and standards set forth in the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the Organization for Economic Co-operation and Development’s guidelines for multinational enterprises, the UN Convention on the Rights of the Child, the ILO Declaration on Fundamental Principles and Rights at Work, and the laws of the countries in which Samsung operates its business.

Samsung will also seek partnerships with key stakeholders such as NGOs, governments and local communities in order to improve the Guidelines continuously and make sure they are consistent with local labor law and Samsung’s Business Conduct Guidelines.

1. Objective

These Guidelines include minimum requirements for ethical and transparent recruitment which is essential for the eradication of forced, bonded, or indentured labor and human trafficking of migrant workers.

Samsung recognizes that some of the requirements listed herein may exceed those under applicable local labor law or may not be legislated. In such cases where there may be a conflict of requirements, Samsung will strive to meet the higher standard that offers the most benefit and protection to migrant workers. Samsung also understands that some of these compliance initiatives may be new to our suppliers and recruitment agencies. Therefore, Samsung will provide support and guidance to our suppliers and recruitment agencies in their compliance with the Samsung Supplier Code of Conduct, Samsung's Business Conduct Guidelines and applicable local laws and regulations.

2. Scope

The Guidelines apply to Samsung's worksites as well as the suppliers where Samsung facilities are located and recruitment agencies which are used to select, recruit, manage or arrange transport for migrant workers to Samsung and its suppliers.

3. Definitions

For the purposes of the Guidelines, the following words shall have the meaning ascribed as herein below:

- 3.1 **"Migrant Worker"** – refers to a person who is engaged or has been engaged in a remunerated activity in a state in which he or she is not a national and has to move from one country to another for the purpose of employment.
- 3.2 **"Sending Country"** – refers to the country where the migrant worker was born and resided in or the country where the migrant worker was recruited.
- 3.3 **"Receiving Country"** – refers to the country where Samsung's worksites and its suppliers are located and where the migrant worker is employed.
- 3.4 **"Recruitment Agency"** – refers to labor recruiters, labor brokers, and any other third parties involved in the recruitment, selection, hiring, transportation, and/or in some cases management of migrant workers in either sending or receiving countries.
- 3.5 **"Child Labor"** – refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is the most stringent under applicable laws and regulations.

3.6 **“Forced Labor”** – refers to all work or service which is exacted from any person under the threat of any penalty and for which the said person has not offered voluntarily.

4. Recruitment Fees

4.1 Samsung shall ensure that migrant workers shall not be responsible for paying any fees or expenses in connection with securing employment with the exception of the fees and expenses payable by migrant workers indicated below. The fees and expenses payable by Samsung listed below shall be paid after the employment offer has been made and accepted in writing.

Fees and Expenses Payable by Samsung
<ul style="list-style-type: none">• Passport• Work permit• Police clearance fee• Birth certificate fee• Certificate of good behavior fee• Other certificate, identity or clearance documents required for residing in the receiving country• Recruitment Agency fees<ul style="list-style-type: none">- Documentation, translation, service fees• Medical test in the sending and receiving countries• Visa fee including exit clearances and other related to immigration processing costs• Transportation<ul style="list-style-type: none">- From the sending country(migrant worker’s home) to the receiving country port of entry- From the receiving country port of entry to workplace or provided accommodations- Return to migrant worker’s home country at the end of employment• Training or orientation in the sending and receiving countries

Fees and Expenses Payable by Migrant Workers
<ul style="list-style-type: none">• Cost of replacing a visa, passport or work permit due to loss• Costs for any legally-allowable levies.• Expenses related to preparing for employment interview<ul style="list-style-type: none">- CV copies, photos, copies of existing document an certificates, incidentals, transportation, accommodation and meals• Expenses related to the migrant worker returning to their home country during leave or holiday• Reasonable costs of accommodation and meals provided by the employer or agency. Such costs shall be charged to migrant worker at fair market value

4.2 Samsung shall continuously work to ensure that recruitment agencies in the sending and receiving countries do not impose directly or indirectly, in whole or in part, any fees or expenses on migrant workers during their hiring,

recruitment, and employment.

- 4.3 Samsung will regularly monitor fees, expenses, and any other costs related to recruitment through regular dialogue and communication between facility management and migrant workers and by auditing recruitment agencies.

5. Recruitment Agency

- 5.1 Samsung shall seek to hire migrant workers directly whenever possible. When the subcontracting of recruitment and hiring is necessary, Samsung shall ensure that migrant workers are recruited through agencies that are certified or licensed by the relevant authorities in the sending and receiving countries.
- 5.2 Samsung shall have a direct contract with recruitment agencies, which shall include the prohibition of imposing recruitment fees and expenses on migrant workers by the recruitment agency.
- 5.3 Samsung shall conduct regular training and audits of recruitment agencies to ensure that they understand the requirements specified in the contract and the Guidelines. If Samsung finds that recruitment agencies are not in compliance with the terms in the Guidelines, Samsung and the recruitment agencies will seek to take immediate steps to ensure compliance with applicable local laws, regulations, and the Guidelines.

6. Employment Contract

- 6.1 Employment contracts of migrant workers shall include, but are not limited to, the following contents (as permissible according to applicable local laws):

Contract Contents
<ul style="list-style-type: none">• Name, address and national registration identification number of the company• Migrant worker's full name, date of birth• Migrant worker's emergency contact information• Passport number or government-issued identification• Period of employment contract• Description of the nature of work and the place where the work is performed• Working hours (regular, shift, overtime, maximum working hours)• Wage rate (regular, overtime and holiday)• Description of all deductions including specification of the type and amount of each deductions if exists• Applicable allowances, bonuses, incentives• Applicable leaves and holidays• Estimated minimum net pay per month• Description of living conditions including costs for transportation, meals and accommodation• Description of additional benefits including medical insurance, accident/injury insurance

- Terms and conditions for contract termination including a notice period not to exceed one month, or as defined applicable local laws
- Description of repatriation process and specification of the costs
- Prohibition of recruitment fees
- Specification of document retention and safekeeping policy

- 6.2 A written employment contract shall be provided to migrant workers in their native language and shall be explained verbally to enable review and understanding prior to signing the employment contract and departure from the sending country.
- 6.3 Employment contracts shall be signed by the migrant workers directly and voluntarily without deception or threat of penalty, after a detailed explanation of the contract has been provided and a signed copy of the contract will also be provided to migrant workers in the sending country.
- 6.4 Changes to the employment contract at any point during the migrant worker's employment after signing the contract shall be prohibited. If there are any amendments to be made to the employment contract, they must be clearly explained to the migrant workers to get their full written consent before the amendments are formalized. If the migrant workers do not agree with the change, they shall be provided with the choice to terminate their contract voluntarily without any penalty and be provided with coverage of expenses related to returning to the sending country.

7. Document Retention

- 7.1 Samsung shall not hold original migrant worker identification documents such as passports, government-issued identification, and other personal documents.
- 7.2 Secure, safe and lockable storage for documents and other valuable items shall be provided to each migrant worker and protected against unauthorized access. There shall be no barriers to storage access and stored items shall be freely and immediately accessible to migrant workers at any time without restrictions or required permissions.
- 7.3 In the case that migrant workers specifically requests the company to hold documents for safekeeping, or if retention of specified documents is required by applicable local laws and regulations, Samsung shall obtain the written consent of the migrant worker and have procedures in place for the safekeeping of personal documents. The written consent will be signed by the migrant worker and facility management. A copy of the written consent should be also given to the migrant worker.
- 7.3.1 Written consent will include a statement from the company that accepts responsibility for the safekeeping of migrant worker identification documents and commits to return the documents within 12 hours after

a document return request has been made by the migrant worker.

7.3.2 Each migrant worker will be issued an identification document confirming employment with Samsung along with a photocopy of the migrant worker's passport to ensure the migrant worker's freedom of movement.

8. Pre-departure and Post-arrival Training

8.1 Samsung shall conduct pre-departure training prior to signing the employment contract in the sending country and post-arrival training before commencing their employment in the receiving country to ensure their understanding in their native language.

8.1.1 If Samsung is unable to conduct the pre-departure training in the sending country, the recruitment agency shall conduct the pre-departure training using the contents that Samsung provides.

8.2 Pre-departure or post-arrival training contents will include, but are not limited to, the contents listed below.

Training Contents
<ul style="list-style-type: none">● Information about the company's workplace● Terms and conditions of the employment contract, including:<ul style="list-style-type: none">- Wages and benefits- Working hours, overtime- Leaves- Accommodation, meals and transportation● Company polices, including:<ul style="list-style-type: none">- Grievance procedure and discipline- Health & Safety rules- Identity document retention and safekeeping- Freedom of movement- Equal treatment- Resignation, termination, repatriation● Travel and repatriation arrangements● Prohibition of recruitment fees and expenses● Visa, work permit and medical examination requirements if required● Legal protections mandated by the receiving country law● Cultural practices of the receiving country● Job-related training● Embassy or consulate information● Local organizations that can provide assistance

9. Employment

9.1 Non-discrimination

9.1.1 No discrimination shall take place during the hiring and employment of migrant workers based on gender, skin color, race, caste, ethnicity, nationality, religion, age, marital status, sexual preference, sexual identity, social status, disability, pregnancy, military status, protected genetic information, or political affiliation in all processes such as training, work, promotion, compensation, and disciplinary measures.

9.2 Age for employment

9.2.1 Based on the UN Convention on the Rights of the Child, The Children's Right and Business Principles, and ILO Convention 182, Samsung's Child Labor policy prohibits employment of migrant workers under the age of 15, or under the age of completion of compulsory education, or under the minimum age for employment in applicable local laws and regulations, whichever is the most stringent under applicable local laws. Also migrant workers under the age of 18 (Young Workers) shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime.

9.3 Valid work permit

9.3.1 Samsung shall only hire migrant workers who are legally permitted to work in the receiving country and all migrant workers shall have valid legal work permits for the duration of their employment.

9.4 Equal treatment

9.4.1 To respect migrant workers' fundamental human rights, as well as legal rights, Samsung shall provide migrant workers with opportunities, treatment, working and living conditions, wage rates for jobs performed, shift arrangements, holidays, and working hours equivalent to that provided for local workers without discrimination in the workplace, except where different terms are specified under applicable local laws and regulations.

9.5 Working Hours

9.5.1 Total working hours per week are not to exceed limits set by applicable local laws and regulations, or 60 hours per week.

9.5.2 All overtime shall be genuinely voluntary. No migrant worker shall receive disciplinary action for refusing overtime and no migrant worker shall be made to work overtime under the threat of penalty, dismissal or denunciation.

9.5.3 Information shall be provided in a transparent manner to migrant

workers about hours worked, rates of pay, and the calculation of legal deductions (if applicable).

9.6 Leave and holidays

9.6.1 Migrant workers shall be eligible for paid leave or holidays, at least one day off every seven days, maternity leave, and legally mandated breaks as may be prescribed under the relevant and applicable local laws or as may be determined by the facility's management.

9.6.2 Migrant workers shall be free to return to their sending country during leave or holidays, without threat of penalty, termination of contract, or other retribution.

9.7 Wages

9.7.1 Samsung shall pay wages directly to migrant workers which are not less than the minimum wage prescribed by applicable local laws and regulations. The wages shall not be paid on the basis of piece work.

9.7.2 The payment of wages shall be credited to the bank account of the migrant worker no later than designated date of the following month by the facility. In case the migrant worker does not have a bank account, the wage shall be paid in cash directly to the migrant worker on the designated date of the following month.

9.7.3 Samsung shall provide a wage statement in the migrant worker's native language with an explanation of the basis on which they are compensated including regular wage, overtime, bonuses, deductions, and other components if any. There shall be no unlawful deductions taken from the wages. If migrant workers have deductions on their wages, a full listing of deductions including a specification of the types and amounts of each deduction (if any) shall be specified on the wage statement.

9.8 Deposits

9.8.1 Samsung shall not operate any migrant worker wage deposit or savings programs unless required by applicable local laws and regulations. In the event of a legally required deposit or savings programs, the migrant workers shall be able to freely access their account at any time. Neither Samsung nor recruitment agencies shall have direct control of or access to the bank accounts of migrant workers.

9.9 Freedom of movement

9.9.1 There shall be no unreasonable restrictions on migrant workers' freedom of movement in the facilities or accommodations, and excessive facility entry and exit restrictions shall not be imposed, except where necessary for worker safety.

9.10 Health and Safety

- 9.10.1 Samsung shall regularly conduct appropriate workplace health and safety training in the native language of migrant workers. Samsung shall also provide appropriate and well-maintained personal protective equipment to migrant workers which has been approved by authorities and meets industry standards for their safety.
- 9.10.2 Where dormitories are provided by Samsung or recruitment agencies for migrant workers, the dormitories shall be maintained so as to be clean and safe, and equipped with emergency exits, hot water for bathing and showering, adequate heat and ventilation, and reasonable personal space along with reasonable entry and exit privileges. Dormitory facilities shall have all relevant official permits related to health, safety, and security, including fire protection, sanitation and electrical, mechanical, and structural safety.
- 9.10.3 Migrant workers are to be provided with ready access to basic amenities such as toilet facilities and potable water as are necessary for their wellbeing inside the workplace and dormitory.

9.11 Cultural and Religious Identity

- 9.11.1 Samsung shall respect the cultural and religious identity of migrant workers.

10. Freedom of Association

- 10.1 Migrant workers shall have the right to freely join a trade union in accordance with applicable local laws and regulations, and no restrictions shall be placed on the exercise of freedom of association in accordance with applicable local laws and regulations.

11. Repatriation

- 11.1 Samsung shall pay the expenses of the migrant worker's return to the sending country upon completion of the migrant worker's employment contract or in the event of the facility closure or downsizing or other related event, unless the migrant worker finds legal employment in the receiving country upon completion of the employment contract.
- 11.2 Samsung shall consider providing for expenses related to migrant workers return to the sending country in the event that migrant workers resign without timely and reasonable notice due to extenuating circumstance such as critical illness or incapacity.
- 11.3 Samsung shall not be responsible for the costs of repatriating migrant workers in cases of termination for misconduct (including criminal activities), obtaining other employment or termination of the employment contract voluntarily of their own volition in the receiving country, or involuntarily

termination for cause in accordance with internal disciplinary procedures.

12. Termination

12.1 Migrant workers shall be free to terminate their employment contract prior to the contract end date voluntarily without any penalty, threat of punishment, fines, or withholding wages upon required notice as defined by applicable local laws and regulations, the employment contract, or a period of one month.

13. Grievance Mechanism

13.1 All workers have a right to have access to effective grievance remedies. To this end, Samsung shall provide confidential and effective grievance redressal mechanisms and allow for reports to be made anonymously. The grievance procedures shall be made available in the migrant worker's native language and migrant workers shall be able to raise grievances without fear of discrimination, intimidation, retaliation, or any other penalty.

13.2 Samsung shall provide a procedure to review and address grievances in a prompt manner. The result of the grievance procedure shall be reported back to migrant workers in their native language and explained to illiterate migrant workers in a language they understand between 3 and 7 days after receiving the grievance, depending on the concerns.

13.3 After receiving a result notice, if migrant workers are not satisfied with the result of the grievance procedure, or provided remedy, they can file an objection to the facility management or HR department. Migrant workers shall be able to file such objections without fear of discrimination, intimidation, retaliation, or any other penalty.

14. Implementation Assessment and Improvement

14.1 Samsung along with its designated person-in-charge or other nominated officials shall oversee and ensure the implementation of the Guidelines within its organization, suppliers and recruitment agencies.

14.2 Samsung will conduct regularly assessment activities and identify improvement tasks through self-assessment and onsite audit or 3rd-party audits to ensure compliance. Samsung will also provide training programs for internal employees, suppliers and recruitment agencies to give them a better understanding of migrant workers' rights and the requirements of the Guidelines.

14.3 In order to reduce risk factors that can negatively affect migrant workers' rights, Samsung will actively seek partnerships with external stakeholders and engage in regular communication with internal employees to improve any inadequate implementation of the Guidelines as an opportunity for continuous and sustainable improvement.

Document History

Version	Changes	Date
Ver.1.0	• Initial release of document	2016.12