

Samsung Electronics Vendor requirements for e-Waste recycling and disposal service

1. Purpose

The purpose of these requirements is to contribute to the circular economy, and minimize environmental impacts caused by all Waste of Electrical and Electronic Equipment (“e-Waste”) generated by Samsung's global operations and programs, including, but not limited to, corporate e-waste & equipment, take back and return programs, and manufacturing / assembly waste. Compliance with the Samsung normative requirements cannot infer immunity from legal obligations.

2. Scope

The requirements of this document apply to all e-waste relevant companies (“vendors”) which perform collection, storage and handling of e-Waste to protect the environment and human health and safety. Vendors must agree to implement and comply with the Samsung requirements set forth in this document. All Samsung employees shall comply with these requirements.

3. General Compliance

3.1 Vendors shall comply with applicable national legislation and International law including transboundary movement of e-Waste, environment and workplace related health and safety laws throughout all steps of the waste management chain.

3.2 Vendors must not use child labor, as defined by the International Labor Organization (ILO) or forced labor, where the worker cannot leave or terminate employment freely.

3.3 Vendors shall maintain any operational records documenting compliance with legal and regulatory obligations applying to all activities undertaken on site. Vendors shall establish and maintain a procedure in order to identify legal requirements that are applicable to the environmental, health and safety aspects of all activities, services and processes undertaken at the facility. Records of the partner's activities and related legal provisions shall be controlled and valid permits required by all relevant authorities shall be maintained.

3.4 Vendors shall implement an Environment Management System to minimize the influence in the environment of contaminants which are generated by the recycling process.

The Environmental Management System may be e.g. an ISO 14001 certification (or EMAS), an independent Environment Management System, or a national certified management system. Vendors shall document environmental and safety work processes, store these records, and be accessible to their employees.

3.5 Vendors must notify any known or suspected violations of Samsung requirements. In addition, any occurrences that involve security, health, safety, environmental or labor issues that could negatively impact Samsung's interests must be reported to the Samsung vendor manager without delay.

4. Insurance and Emergency plan

4.1 Vendors shall provide all insurance as set forth in this section:

- Workers' Compensation
- General Liability
- Automotive Liability
- Environmental Liability
- Pollution Liability
- Financial assurance

4.2 Vendors shall establish closure plans documenting how materials will be managed and how the facility will be properly decommissioned at the time of closure. These plans must be maintained and updated at least every two years.

4.3 Vendors shall ensure that there exists adequate insurance to cover unexpected plant closures.

5. Site control

5.1 Vendors shall operate and maintain the work process in a manner to ensure the protection of e-Waste and environment including any transit or third party transfer, until final disposition.

5.2 Vendors shall keep business records for 3 years to show transfers and to document assurances from vendors as to the disposal of e-Waste. The following must be monitored and recorded:

- The operational processes and the operational risk assessment of the treatment facility (ex : hazardous waste management)

- Environmental emissions from the site
- The emissions of hazardous materials and pollutants during waste disposal process
- The movement and storage of waste, especially hazardous waste.
- The operations of a storage management system
- The downstream material flow for tracking e-Waste movement throughout the entire chain of custody to final disposition
- Result of health and safety training to employees
- The warehousing volume of waste, the recycling, recovery, disposal and delivery volume, material export details, emergency response plans, fire prevention and suppression procedures, equipment failure backup plan, etc.

5.3 Vendors shall provide and report, regularly updated, guidelines on how to deal with emergencies such as fire, explosion, accidents, unexpected emissions, and weather related emergencies. Be in close communication with local emergency response authorities.

6. Data security

6.1 All data-containing devices such as hard drives, and recording media such as CDs, DVDs, tapes, or other similar items must either be fully erased, or destroyed by shredding, crushing, shearing, melting, incinerating, or perforating the memory resident material.

6.2 Vendors shall maintain documents verifying destruction of data devices including device serial numbers and date of destruction when requested by Samsung manager.

7. Treatment and disposal

7.1 Vendors shall choose the processes and technologies that can maximize the recovery of recyclable materials.

7.2 Materials and components defined in the EU WEEE such as mercury, batteries, CRTs, PBA, etc. shall be handled by the recyclers who are competent and experienced in the environmentally sound management, and utilizing the best available technology.

7.3 Vendors shall make every reasonable effort to control all e-Waste to avoid e-Waste from flowing landfills or incinerators.

8. Transboundary movement

8.1 Vendors shall not transport materials from OECD countries to developing countries for e-Waste that may generate at all stages. However this does not apply in case where it is pre-

approved and permitted between importing and exporting country according to the relevant laws, such as the act on the control of transboundary movement of hazardous waste.

8.2 Before shipping any materials, vendors shall ensure and document that all required local, cross-border and international permits, certifications, licenses, pre-approvals, consents and authorizations have been obtained.

9. Downstream vendor

9.1 The 1st vendor shall disclose its sub-contractors to perform recycling service and require its sub-contractors to meet these requirements.

9.2 The 1st vendor shall audit downstream processors of e-Waste until the end of waste status of all fractions, to the final processor of the e-Waste.

9.3 Downstream audit reporting shall include Environmental Health and Safety attributes, as well as materials management and corrective actions needed.

9.4 The downstream audit reports shall be performed annually. Downstream auditing may be conducted onsite or by documentary evidence, and should be signed off by the 1st Vendor.

10. Audit

10.1 Vendors are obliged to accept the initial audit to make the contract and regular audits to maintain the contract based on these requirements. Samsung may carry out on-site audits upon notice to vendor. Audits may be performed through third-party auditors selected by Samsung.

10.2 Vendors shall provide any records and information upon request for audit purposes. Records and information include, but are not limited to, material tracking documents, material balance, disposal records, emission monitoring, workers safety, regulatory notices, training records, etc.