

# **Responsible Minerals Sourcing Policy**

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**SAMSUNG SDI**

# 1. Introduction

Samsung SDI established the Responsible Mineral Procurement Policy to procure minerals in a sustainable and ethical manner and to promote responsible procurement practices across the supply chain. The company follows and supports the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, hereinafter referred to as “OECD Due Diligence Guidance”) and bans the use of minerals with potential risks described in ANNEX II of the OECD Due Diligence Guidance below.

Conflict-Affected and High-Risk Areas
<ol style="list-style-type: none"><li>1) Areas characterized by armed conflicts, post-conflict vulnerabilities, weak government such as a failed state or complete anarchy, widespread human rights abuses and violations of international law</li><li>2) Areas where risks described in ANNEX II of the OECD Due Diligence Guidance are likely to exist</li></ol>
Risks Described in ANNEX II of the OECD Due Diligence Guidance
<ol style="list-style-type: none"><li>1) Serious abuses associated with the extraction, transport or trade of minerals, any forms of torture, cruel, inhuman and degrading treatment<ul style="list-style-type: none"><li>· Any forms of torture, cruel, inhuman and degrading treatment</li><li>· Any forms of forced or compulsory labor, the worst forms of child labor</li><li>· Other gross human rights violations and abuses such as widespread sexual violence</li><li>· War crimes or other serious violations of international humanitarian law, crimes against humanity or genocide</li></ul></li><li>2) Direct or indirect support of non-state armed groups</li><li>3) Direct or indirect support to public or private security forces</li><li>4) Bribery and fraudulent misrepresentation of the origin of minerals</li><li>5) Money laundering, non-payment of taxes, fees and royalties to governments</li></ol>

## 2. Covered Minerals

Covered minerals include conflict minerals (tin, tantalum, tungsten, gold), cobalt, nickel, lithium, manganese, graphite, mica mined from conflict-affected and high-risk areas and minerals or raw materials used for secondary battery production that potentially have serious social, environmental risks.

### 3. Management Organization and System

#### Management Organization

Samsung SDI manages and oversees supply chain management policies and improvement activities for responsible minerals through the Sustainability Management Committee under the Board of Directors.

The Procurement Strategy Group of the Procurement Team and the ESG Strategy Group of the Corporate Sustainability Management Office establish policies and management processes on responsible mineral procurement based on the OECD Due Diligence Guidance and conduct risk management and improvement activities of the mineral supply chain.

#### Management System

Samsung SDI establishes and executes the management system as below according to the 5 step framework of the OECD Due Diligence Guidance to manage potential supply chain risks related to responsible minerals.

Step 1) Establish strong Company management systems	Adopt company policy for mineral supply chains, establish strong management systems, strengthen internal capability
Step 2) Identify and assess risks in the upstream supply chain	Assess Upstream Survey, supply chain risks, CAHRAs
Step 3) Design and implement a strategy to respond to identified risks	Report risk assessment results to management, devise and adopt a risk management plan (including mitigation efforts)
Step 4) Carry out independent third-party audit of company's due diligence	Carry out third-party audit of supplier risks, support supplier's RMI RMAP certification
Step 5) Report annually on supply chain due diligence	Publicly report due diligence results and activities on sustainability report, website etc.

### 4. Supplier Compliance

Samsung SDI's Responsible Mineral Procurement Policy includes the following requirements for suppliers to partner with Samsung SDI.

- 1) The supplier must sign and submit Samsung SDI's Supplier Code of Conduct and Letter of Attestation and Undertaking for responsible mineral procurement.

2) Samsung SDI must perform due diligence on the supplier in accordance with the OECD Due Diligence Guidance, and the supplier must provide necessary information and proactively carry out due diligence so that Samsung SDI can assess the supplier.

3) The supplier must request sub-suppliers to carry out due diligence for responsible mineral procurement and instantly terminate business with sub-suppliers identified as having risks (including actual and potential risks) mentioned in the OECD Due Diligence Guidance.

4) The supplier must guarantee that the sub-suppliers comply with the Responsible Mineral Procurement Policy in accordance with the OECD Due Diligence Guidance and related regulations and must prove this upon Samsung SDI's request.

## 5. Grievance Procedure

Samsung SDI has the following grievance handling channels to listen to various opinions and grievances of stakeholders related to responsible mineral procurement. Whistleblowers will not face any disadvantage for filing complaints, and their confidentiality will be strictly protected.

Channel	File a Complaint
E-mail	sustainability@samsung.com
Samsung SDI Website	• Report Violations <a href="https://audit.samsungsdi.com:40195/audit/index.do?svc=103">https://audit.samsungsdi.com:40195/audit/index.do?svc=103</a>

< Document history >

Ver	Date	Brief description of change
1.0	Oct. 2023	Initially released