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**SB/GS**

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**Shareholder Inquiry on Social Risk Due Diligence in Samsung's Operations**

Dear Director,

As the General Secretary of the largest global trade union confederation - the International Trade Union Confederation (ITUC) - I am writing on behalf of workers and shareholders in Samsung to urge you to raise concerns about the company's human and labour rights due diligence in the company's manufacturing sites and in the operations of its suppliers.

The culture of repression against a collective voice for Samsung employees has led to the disastrous quality failures at the company. When the workforce is afraid to speak out about real problems on the production line because of an arrogant and domineering management culture, workers and consumers alike face risks to their health and safety.

Samsung's priorities are all wrong as the management of the faulty batteries in the Galaxy 7 clearly shows. Initially they tried to minimise the problem and avoid the consequences. Likewise despite the known deaths of more than 76 workers and hundreds of cancer related illnesses from chemicals used the company show no signs of recognising the human and financial costs of the way they treat employees.

The extraordinary general shareholders meeting on 27 October will be a test of Samsung's awareness of what's at stake. While the agenda for the meeting in Seoul includes an executive re-shuffle there appears to be no change to a "business as usual" approach.

Responsible investors will ask serious questions and consider both the risk and ethics associated with the due diligence required by *The UN Guiding Principles for Business & Human Rights*. We urge you to seek answers to the corporate culture that ignores human rights and puts both workers and consumers at risk.

A consumer class action lawsuit against Samsung has now been launched in the US, and the secretive “Chaebol” system of business conglomerates in Korea is coming under the microscope. Please use your influence to seek answers and ensure human rights for Samsung workers.

The ITUC has gathered evidence of a culture of cover ups during inspection audits, as well as union busting, at Samsung suppliers in many countries.

Massimo Kuhano depicts the lack of corporate responsibilities for lives. “I am a technician and I don’t have goggles to use with the grinding machines. If the company has a visit by auditors, the company will give us a mask, the safety equipment, but only then so our visitors think it’s a good company.” <https://www.youtube.com/watch?v=uRxHFODCqnA&feature=youtu.be>

The ITUC is also writing to other shareholders to ask these questions which amount to sustainability, safety and the viability of the investments. Without concern for the rights of workers and the safety of both workers and consumers the corporate greed that Samsung depicts will be responsible for more deaths and injuries.

To provide a secure future for its workforce, consumers and investors, Samsung must

- respect workers’ rights to form and join trade union by ending its anti-union policy and reinstating workers dismissed for building a union;
- take responsibility for its hidden workforce of 1.5 million workers including safe and secure jobs, a minimum living wage, collective bargaining rights, grievance procedure and remedy; and,
- end the culture of fear which stops workers speaking out about workplace practices and faulty products.

Yours sincerely,



General Secretary

Report “Samsung – Modern Tech Medieval Conditions” <http://www.ituc-csi.org/samsung-modern-tech-medieval>

