Code of Conduct

2010. 12. 07.

SAMSUNG SDI Co., Ltd.
SAMSUNG SDI RECOGNIZES THAT VARIOUS COUNTRIES MAY HAVE LAWS AND REGULATIONS THAT ESTABLISH DIFFERENT REQUIREMENTS FOR CORPORATE INTEGRITY. WHENEVER THAT IS THE CASE, SAMSUNG SDI’S FOREIGN SUBSIDIARIES SHALL COMPLY WITH ALL APPLICABLE LOCAL LAWS AND REGULATIONS FIRST. FOR THE AVOIDANCE OF DOUBT, LOCAL LAWS AND REGULATIONS SHALL SUPERSEDE THIS CODE OF CONDUCT.
Samsung Value System

**Samsung Philosophy**

We will devote our human resources and technology to create superior products and services thereby contributing to a better global society.

**Samsung Values**

People

Excellence

Change

Integrity

Co-prosperity

**Samsung Business Principles**

1. We comply with laws and ethical standards

2. We maintain a clean organizational culture

3. We respect customers, shareholders and employees

4. We care for the environment, health and safety

5. We are a socially responsible corporate citizen

**SDI Compliance**

1. Compliance Control Regulations

2. Compliance Operating Rules

3. Code of Conduct

4. Fair Transaction Self-Regulation Management Rules

5. Guidelines
**Code of Conduct**

**Introduction of Code of Conduct**

This Code of Conduct (“Code”) is based on Samsung Value System (Samsung Philosophy, Samsung Values, and Samsung Business Principles), Compliance Control Regulations, and Compliance Operating Rules. In order to meet the fundamental roles and social responsibilities, this Code stipulates the guidelines in detail with respect to the operating activities and what all the personnel of Samsung SDI Co., Ltd. (the “Company”), including temporary employees, part-time employees, contract workers, dispatched workers, and subcontractors (also known as Samsung Partners) in the Company, have to comply when they transact a business with a customer(s) and/or another transacting party(ies).

This Code is enacted through management committee's approval, and the same procedure shall be applied to amendment and abolition of this Code.

Those who violate this Code may be penalized in accordance with the internal rules of the Company, and such person(s) will be further punished in accordance with relevant civil and criminal laws and regulations.

**Code 1**: All the personnel shall comply with laws, regulations, and this Code.

**Code 2**: All the personnel shall do fair, transparent, and free competition in the domestic/overseas market and do a reasonable and lawful transaction.

**Code 3**: All the personnel shall comply with a quality control standard in each development, design and manufacture stage in order to prevent from any defects of a product(s).

**Code 4**: All the personnel shall protect Company’s intellectual property rights and confidential information.

**Code 5**: All the personnel shall operate Company’s decision making committee(s) in accordance with adequate procedure and accurately book and record accounting and tax items.
**Code 6**: All the personnel shall comply with laws, regulations and internal policies in regard to the environment and safety.

**Code 7**: The Company shall not make any discriminative actions during the hiring and employment period, and no one shall do any activities that harm a healthy organizational culture.

**Code 1**: All the personnel shall comply with laws, regulations, and this Code.

1.1. All the personnel of the Company shall comply with laws, regulations, this Code, and internal policies related to the corporate management and shall make a healthy organizational culture through continuous trainings with regard to the corporate ethics.

1.1.1. All the personnel shall deliberate whether any legal issues that are applicable to their work before they perform. If the person(s) recognizes that it is possible that any legal issues that may be applied to his/her work, the person(s) shall seek a legal consultation from the compliance/legal team to obtain its legitimacy.

1.1.2. If an officer or employee discovers his/her own or other colleagues’ violation of laws and regulations, he/she shall immediately notify to the compliance/legal team. This notification will be kept as confidential and any revenge is strictly prohibited.

1.1.3. Any violation of laws and regulations are strictly prohibited and no exception will be allowed even if “it is for Company”, “it is for a customer”, or “it is for my superior.”

1.1.4. All the personnel shall not do any act(s) that harm Company’s reputation or ethically blamed.

1.2. All the personnel have a fiduciary duty in order to protect Company’s assets during their work.

1.2.1. All the personnel shall not embezzle Company’s assets and/or shall not use it for personal gain.
1.2.2. All the personnel shall not have a personal transaction related to their work and shall avoid any action which may involve, or may appear to involve, a conflict of interest with their work.

1.3. The Company respects each employee’s political right and political opinion. Nevertheless, any political activities in the Company shall not be permitted.

**Code 2**: All the personnel shall do fair, transparent, and free competition in the domestic/overseas market and do a reasonable transaction.

2.1. All the personnel shall comply with international competition laws and regulations based on the free competition principle.
   
   2.1.1. All the personnel shall abide by the national, state, and local anti-monopoly and fair competition laws where the Company does business.
   
   2.1.2. All the personnel shall not discuss or agree to fix a price, cost, production rate, facility capacity, transaction terms and conditions, sales policy, etc. with a competitor(s) or industry related company(ies), which may be a violation of the anti-trust law.

2.2. All the personnel shall pursue co-operation (sangseng) with a subcontractor(s) through a good faith and fair transaction.
   
   2.2.1. All the personnel shall fairly select a subcontractor(s) after reviewing the transaction terms and conditions, including but not limited to, price, quality, delivery period.
   
   2.2.2. All the personnel shall not do any unfair activity(ies) by using the dominant market power and shall do a fair transaction in accordance with the relevant laws, regulations and the agreement(s).
   
   2.2.3. All the personnel shall not do any unfair activity(ies) such as exclusion, unfair discriminative treatment, unfair restrict of business with a transacting party(ies).

2.3. All the personnel shall not pursue their own personal gain through their works.
2.3.1. All the personnel shall not promise to offer, give, offer, accept bribe, and meal and entertainment to/from a public official(s) and a transacting party(ies) in order to obtain improper and/or unlawful advantage.

2.3.2. All the personnel shall not pursue their own personal gain or receive benefit on the business transaction with a third party.

2.3.3. All the personnel shall not utilize proprietary information of Company and a third party for private gain, for example insider training, irrespective of whether or not this activity was conducted by an employee directly or a third party(ies). Furthermore, all the personnel shall not give any private gain to a third party by using such information irrespective of whether or not this activity was conducted by an employee directly or a third party(ies).

Code 3 : All the personnel shall comply with a quality control standard in each development, design and manufacture stage in order to prevent from any defects of a product(s).

3.1. All the personnel shall abide by product’s safety standards in accordance with relevant laws and regulations and continuously maintain a strict quality control.

3.1.1. All the personnel shall acknowledge that the pursuit of safety is one of the most important subjects and responsibilities.

3.1.2. All the personnel shall do their best efforts with a transacting party(ies) at a research and development, design, and production stage to acquire safety in a various circumstance.

3.1.3. If an employee(s) was informed the important information, such as defect of a product, violation of laws and regulations during the production stage, or external report, such employee(s) shall promptly notify to a quality control employee(s).

3.1.4. If any defect(s) of the product(s) was discovered, the employee shall immediately stop releasing the product(s), notify to a relevant team(s), and the relevant team(s) shall promptly check and solve the problems.
3.2. All the personnel shall promptly take action if an accident related to the products is occurred.

3.2.1. When the accident occurs, it shall be promptly reported to the executive management members to avoid expanding of the damages, the employee(s) analyzes cause of the accident, sets up the countermeasure plan, and executes re-occurrence prevention activities.

3.2.2. The objective investigation and evidence test of the accident shall be held and report to the executive management members after analyzing the cause of the accident.

3.2.3. Set up the resolution plan, including but not limited to, legal issues, media defense, and compensation process, based on the facts.

3.2.4. Based on the analysis of the result, the personnel shall prepare for prevention and re-occurrence plan and report the conclusion to the executive management members.

**Code 4 : All the personnel shall protect Company’s intellectual property rights and confidential information.**

4.1. All the personnel shall acknowledge that intellectual property and confidential information of the Company are one of the most valuable assets.

4.1.1. All the personnel shall protect outcome of research and development in accordance with the intellectual property right (patent right, trademark right, utility model right, etc.) and use it in accordance with the internal policy.

4.1.2. The confidential information of the Company shall not be disclosed to any person(s) whom does not have any justifiable reasons to be used it and shall not be used for any personal gain or interest of third parties.

4.1.3. All the personnel who leave the Company shall fully respect the intellectual property right and confidential information of the Company and shall maintain confidentiality of such information.

4.2. All the personnel shall fully respect the intellectual property right and confidential information of third parties and shall not intentionally infringe or abuse those.
4.2.1. All the personnel shall acknowledge that using the intellectual property right and confidential information of a third party(ies) without a prior consent may be led to compensation damages, fines or criminal penalties.

4.2.2. All the personnel shall not use any illegal software or software that has been prohibited by the Company.

4.3. All the personnel shall properly use the information system and reinforce the security in daily life.

4.3.1. All the personnel shall use Company’s information system only for job-related purpose and shall not wrongfully use.

4.3.2. All the personnel shall carefully maintain an account and/or a password of Company’s information system and shall not disclose to a third party without authorization.

4.3.3. All the personnel shall abide by the internal security regulation(s) in order to prevent any security related accidents during the process of check-in/check-out of a product and/or visitation of an external person, etc.

**Code 5 : All the personnel shall operate Company’s decision making committee(s) in accordance with adequate procedure and accurately book and record accounting and tax items.**

5.1. A summon, resolution, recording of minutes, a public announcement, etc. of the shareholders’ meeting(s), meeting(s) of the board of directors, and meeting(s) of other committees shall be made in accordance with laws and the articles of incorporation.

5.1.1. All the personnel will do in good faith to maximize the investment return of shareholders through sound management.

5.1.2. All the personnel shall equally respect all shareholders and sincerely consider legitimate and fair opinions.
5.2. All the personnel shall comply with the international accounting standard(s) in accordance with laws and shall announce major financial and corporate information in good faith in order to provide accurate and transparent information to shareholders and investors.

**Code 6 : All the personnel shall comply with laws, regulations and internal policies in regard to the environment and safety.**

6.1. All the personnel shall acknowledge the importance of the environment and comply with international environment standards, laws, and regulations to establish environment friendly company and business place.

6.1.1. All the wastes and safety hazard materials shall be stored, treated, and disposed in accordance with laws, regulations and internal regulation(s) governing the health and safety.

6.1.2. If an employee discovers that any safety hazard material(s) is improperly stored or disposed, the employee shall promptly report to the employee(s) who is responsible for the health and safety.

6.2. When an employee reviews a project or new business, he/she shall consider effect to the environment as one of important factors.

6.3. The officers and employees shall comply with the internal safety regulations in order to make a safe business place.

6.3.1. The officers and employees have a responsibility and duty for the safety and prevention of a risk.

6.3.2. If an employee discovers any potential safety accidents, he/she shall immediately report to the relevant team and eliminate those.

6.3.3. All the personnel shall always comply with a safety standard.
Code 7: The Company shall not make any discriminative actions during the hiring and employment period, and no one shall do any activities that harm a healthy organizational culture.

7.1. The Company shall not make any unfair treatment for human resource affairs, including but not limited to hiring, promotion, and evaluation, with the officers and employees based on the nationality, sex, religion, age, body disability, birth area, marriage status, etc.

7.1.1. Unlawful underage employment and prohibited forced labor are strictly prohibited.

7.1.2. The Company shall provide an equal opportunity and treat fairly to the employees and officers based on their ability and performance.

7.2. The officers and employees shall respect each other’s opinion and will use their best endeavor to have an organizational culture that share a creative idea(s).

7.2.1. A conflict between personnel in the Company shall be proactively prevented through various communication channels.

7.2.2. The Company shall acknowledge that creative thinking and self-regulating actions of the officers and employees are intangible assets and actively offer a training opportunity in order to have self-improvement.

7.2.3. The Company shall do its best endeavor to make a mutually cooperative environment and to resolve problems of the officers and employees.

7.3. The officers and employees shall cooperate with the Company to make a healthy organizational culture.

7.3.1. The officers and employees shall not do any behaviors that damage a cooperative colleague relationship. Such behavior includes, but is not limited to sexual harassment, physical assault, lending and borrowing the money.

7.3.2. The officers and employees shall not form any organization that cause disharmony or a private organization in the Company.
Supplementary Provision

This Code will be effective as of December 7, 2010.