

Compliance Control Regulations

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Samsung SDI Co., Ltd.

Index

Chapter 1. General Provisions	1
Article 1. Purpose	
Article 2. Definitions of Terms	
Article 3. Application	
Article 4. Enactment and Revision	
Chapter 2. Environment	3
Article 5. Principles of Composition and Duty Allocation	
Article 6. Roles of Authorities	
Article 7. Appointment and Dismissal of Compliance Officer	
Article 8. Requirements, Term and Status of Compliance Officer	
Article 9. Rights and Duties of Compliance Officer	
Article 10. Delegation of Tasks to Support Compliance	
Article 11. Obligations of Compliance Officers to the Committee	
Article 12. Independent Execution of Compliance Officer	
Article 13. Compliance Support Organization	
Article 14. Limitation of Concurrent Jobs of Compliance Officer	
Chapter 3. Compliance Activities	9
Article 15. Assessment of Legal Risks	
Article 16. Management of Legal Risks	
Article 17. Operation of Compliance Education and Training Programs	
Article 18. Compliance Self-Assessment by Executives and Employees	
Article 19. Compliance Assessment by Compliance Officer	
Article 20. Whistleblowing	
Article 21. Investigation into Compliance Violation	

Article 22. Measure for Violations	
Article 23. Analysis of Violations and Improvements	
Article 24. Handling Violations	
Article 25. Third-party Management	
Article 26. Acquisition and Merger	
Article 27. Building a Culture of Compliance in the Top Management and Managers	
Article 28. Delivery and Management of Information and Data	
Article 29. No Disclosure of Confidential Information	
Chapter 4. Validation	17
Article 30. Standards and Procedures of Validation	
Article 31. Follow-up Measures of Validation	
Chapter 5. Miscellaneous	18
Article 32. Reward for Executives and Employees	
Article 33. Particulars	
Article 34. Pledge of Compliance and Ethical Management	

Chapter 1. General Provisions

Article 1. Purpose

Samsung SDI Co., Ltd. (hereinafter referred to as the "Company") shall establish and implement Compliance Control Regulations to ensure the sound development of the Company and build customer's trust by complying with laws.

Article 2. Definitions of Terms

The definitions of the terms used in this Compliance Control Regulations are as follows:

- a. The term "Compliance Control" refers to all policy-making and compliance activities processes adopted by the Company aiming to systematically identify all laws and regulations that are needed to be complied within the scope of its business operations, to self-check compliance with laws and regulations of its executives and employees, to prevent illicit acts in advance and systematically respond to various Legal Risks.
- b. The term "Compliance Control System" refers to organizations, systems, policies, regulations, or procedures designed and operated by the Company to perform Compliance Control, as well as status, templates, and organic interactive relationship among such elements.
- c. The term "Legal Risk" refers to the risk of occurrence of civil, criminal and administrative liabilities or damages and harms from losing binding effect and enforceability of a contract, caused by non-compliance with the law by

Company' s executives and employees.

- d. The term "Compliance Violation" refers to an act of violating all laws and regulations and the Company's internal regulations and policies, including Compliance Control Regulations that the Company must comply within the scope of its business operation.
- e. The term "Top Management" refers to a person who has considerable control over the Company or plays an important role in policy-making, and refers to a (representative) director, an executive at the executive vice president-level or higher, the Head of Corporate Business, the CFO (Chief Financial Officer), and an individual who owns a significant stake of the Company.
- f. The term "Compliance Officer" refers to a person appointed under Article 542-13 of the (Korean) Commercial Act who carries out tasks of implementing compliance education and training programs, checking compliance with Compliance Control Regulations, and reporting such to the Board of Directors.
- g. The term "Compliance Manager" refers to a person separately selected to circulate and manage implementation of the Company's policies delivered by the Compliance Officer in each organization.
- h. The term "Samsung Compliance Committee" (hereinafter referred to as the "Committee") refers to an independent separate organization established outside of the Company under the "Samsung Compliance Committee Establishment and Operation Agreement (hereinafter referred to as the

"Committee Agreement")" with the aim of strengthening the compliance monitoring and control functions of Samsung affiliates.

Article 3. Application

- ① Compliance Control Regulations shall apply to all scope of works of the Company and to all relevant activities of its executives and employees.
- ② Matters concerning Compliance Control shall be governed by the Compliance Control Regulations, except as otherwise stipulated in laws and the article of incorporation of the Company.

Article 4. Enactment and Revision

- ① A representative director shall establish and revise the Compliance Control Regulations through the resolution of the Board of Directors.
- ② Where substantial changes are not applied, such as amendments following changes in relevant laws and subordinate laws and regulations or revision of letters following simple changes in the organizational structure, such changes shall not be deemed amendments to the Compliance Control Regulations.

Chapter 2. Environment

Article 5. Principles of Composition and Duty Allocation

The workforce composition and duty allocation for Compliance Control shall be constructed in a way that the efficiency of

compliance tasks and independence of the Compliance Officer are ensured, and the roles and responsibilities of relevant executives and employees are clearly defined.

Article 6. Roles of Authorities

- ① The Board of Directors shall determine the Compliance Control Regulation and important matters related thereto, and reasonably supervise the implementation and effectiveness of Compliance Control.
- ② A representative director shall establish and supervise the Compliance Control System that corresponds to the size of the Company or the nature of its operations as defined by Compliance Control Regulations and the Board of Directors.
- ③ The Compliance Officer shall control in practice by establishing and implementing compliance education and training programs, checking compliance with Compliance Control Regulations, and reporting it to the Board of Directors or a representative director.

Article 7. Appointment and Dismissal of Compliance Officer

- ① A representative director shall appoint and dismiss Compliance Officer through the resolution of the Board of Directors.
- ② A representative director may dismiss the Compliance Officer for any of the following reasons:
 - a. In case the Compliance Officer' s physical or mental disability prevents performing tasks;
 - b. In case of perpetration of work-related wrongdoing or violation of relevant laws or policies, such as articles of

incorporation and Compliance Control Regulations related to Compliance Control; or

c. In case of causing major damages and harms to the Company intentionally or due to negligence.

- ③ The Compliance Officer is not dismissed during their term without due cause, and in the event of dismissal during the term, a representative director shall provide sufficient evidence to prove the reasons for dismissal in association with paragraph 2.
- ④ The Compliance Officer may express their opinion in a meeting of the Board of Directors on their dismissal.
- ⑤ In the event that the Compliance Officer is dismissed or retired due to the end of term or resignation, a representative director shall promptly appoint a new Compliance Officer to maintain continuity of work.

Article 8. Requirements, Term and Status of Compliance Officer

- ① The Compliance Officer shall be appointed from among those who meet the requirements of Article 542-13 of the (Korean) Commercial Act and Article 41 of the Enforcement Decree of the same Act.
- ② A member of the Audit Committee shall not be the Compliance Officer.
- ③ The Compliance Officer is a full-time employee, whose term is three years but they may serve consecutive terms.

Article 9. Rights and Duties of Compliance Officer

- ① The Compliance Officer shall have the following rights:

- a. Implementation of education and training programs on Compliance;
 - b. Regular or frequent assessment and reporting on compliance status of Compliance Control Regulations;
 - c. Receipt and processing of reports on violations of compliance;
 - d. Investigation of Violation of Compliance;
 - e. Demand for the collection and submission of information and data required for Compliance Officer to perform tasks;
 - f. Demand for executives and employees' compliance and suspension, improvement or correction of matters deemed illicit;
 - g. Request for sanctions against executives and employees who violate Compliance Control Regulations, etc.;
 - h. The control of the Compliance organization and recommendation of personnel from employees of related departments;
 - i. (Samsung Compliance Committee) Tasks such as reporting to the Committee, submission of materials, etc.; and
 - j. Other matters determined by the Board of Directors under the authority of the Compliance Officer.
- ② The Compliance Officer may seek external advice and assistance from experts, if necessary.
- ③ The Compliance Officer may attend all Board of Directors meetings and state one's own opinion, etc.
- ④ The Compliance Officer should perform due diligence in good

faith and shall not divulge the proprietary information of the Company acquired from tasks, not only during term but also after retirement.

Article 10. Delegation of Tasks to Support Compliance

- ① The Compliance Officer may delegate necessary authority to establish a compliance control autonomous operation organization led by personnel for each organization or designate a person in charge with the authority to conduct autonomous and regular on-site inspections.
- ② The Compliance Officer should provide regular training to Compliance Managers so that they can faithfully perform delegated tasks, and shall regularly monitor the progress of Compliance Control tasks.
- ③ If necessary, the Compliance Officer may perform major Compliance Control functions in the Company with external experts or delegate such function to external experts while specifying the contents and limitations of such function. In this case, the Compliance Officer must evaluate the efficiency of external delegation periodically and use such evaluations to form a standard for tasks such as future re-delegation.

Article 11. Obligations of Compliance Officers to the Committee

- ① The Compliance Officer shall respect the exercise of authority of the Committee and endeavor to implement the Committee's demands and recommendations.
- ② The Compliance Officer shall report the following matters to the Committee:

- a. The occurrence of incidents related to the illicit act of the Top Management, such as criminal proceedings, civil proceedings (including derivative suits), administrative dispositions, investigation and probe;
- b. Notification related to the disbursement of external donations and approval of internal transactions;
- c. Notification of resolutions of the Board of Directors related to Compliance Control; or
- d. Regular and occasional reports, etc. to the Committee.

Article 12. Independent Execution of Compliance Officer

- ① The Compliance Officer may directly and timely report compliance task performance to the Board of Directors or a representative director.
- ② The Compliance Officer may ask the chairman of the Board of Directors to convene the Board of Directors if necessary for the reporting of paragraph 1.
- ③ The Compliance Officer has a position within the Company to effectively and independently carry out compliance support and control tasks.
- ④ The Company shall not give disadvantage in personnel matters to current or past Compliance Officers for reasons related to compliance tasks performance.

Article 13. Compliance Support Organization

- ① The Company shall establish a compliance support organization necessary for the operation of the Compliance Control System and the establishment of an environment for Compliance Control.

- ② If necessary for the performance of compliance activities, the Compliance Officer may request the relevant department to provide sufficient support, such as human resources and funds, and the relevant department shall actively accept such request.
- ③ Matters concerning the composition of the compliance support organization shall be stipulated by the Compliance Operating Rules.

Article 14. Limitation of Concurrent Jobs of Compliance Officer

The Compliance Officer cannot be in charge of other tasks that may affect the performance of compliance-related tasks.

Chapter 3. Compliance Activities

Article 15. Assessment of Legal Risks

The Compliance Officer shall examine the size and frequency of Legal Risks to determine the likelihood of a violation and to characterize major Legal Risks. If the Compliance Officer requests cooperation for the above characterization tasks, the relevant departments and employees shall promptly and faithfully respond.

Article 16. Management of Legal Risks

- ① Employees should be well-informed and comply with the domestic and foreign laws and regulations and Compliance Control Regulations, and various internal regulations of the Company, and Compliance Control System in relation to the work-related Legal Risks.
- ② Employees shall immediately declare or report to the Compliance

Officer when they discover illicit acts or violation of (or the risk of such violation) internal policies relevant to the Compliance Control, such as Compliance Control Regulations, and shall not engage in or cooperate with such violations.

- ③ Each relevant department and the Compliance Officer shall devise measures to prevent Legal Risks from being transferred or extended to other departments.
- ④ The Compliance Officer shall, on the basis of a Legal Risk assessment, ensure that the executives and employees are properly aware of and understand their obligations under paragraphs 1 to 3.

Article 17. Operation of Compliance Education and Training Programs

- ① The Compliance Officer shall design and implement specific and systematic compliance education and training programs to ensure that all employees can preemptively identify and properly address Legal Risks associated with their tasks.
- ② The Compliance Officer shall conduct regular compliance education to all executives and employees at least once a year. The Compliance Officer may conduct additional special compliance education to executives and employees of departments with high probability of confronting Legal Risks or otherwise needs such education.
- ③ The Compliance Officer shall evaluate the effectiveness and validity of the compliance education and training programs and conduct surveys on ways to improve if necessary.
- ④ The Compliance Officer may provide legal advice to executives and employees strongly associated with Compliance Control, and

where executives and employees perform tasks closely related to Legal Risks, they may be required to consult with the Compliance Officer in advance.

- ⑤ The Compliance Officer may operate a consulting system (process) for executives and employees separate from the compliance education and training programs.
- ⑥ The Compliance Officer may provide outside directors with information related to Compliance Control that may support legal decision-making.

Article 18. Compliance Self-Assessment by Executives and Employees

- ① Each department can independently establish compliance assessment plans, including compliance training, and regularly conduct compliance self-assessment.
- ② Each department may prepare and manage a checklist of compliance assessment items for effective compliance self-assessment.
- ③ The Compliance Officer shall guide each department to formulate compliance assessment plans under paragraph 1 and evaluate the status of compliance self-assessment.

Article 19. Compliance Assessment by Compliance Officer

- ① The Compliance Officer shall establish and operate the compliance assessment system with functions such as to assess the entire executives and employees' compliance with the Compliance Control Regulations.
- ② Compliance assessment conducted by the Compliance Officer shall include regular compliance assessment conducted once a year and

occasional or special compliance assessment conducted on specific legal issues raised.

- ③ For efficient compliance assessment, the Compliance Officer may specifically characterize declarations or reports by each department, and may mandate relevant departments to declare or report particular issues if necessary.
- ④ The Compliance Officer shall report the results of the compliance assessment to the Board of Directors once or more every year.
- ⑤ While assessing compliance, the Compliance Officer may notify or consult with a member of the Audit Committee if necessary.

Article 20. Whistleblowing

- ① A representative director may set up a whistleblowing system that can report directly to the Compliance Officer on cases relevant to the executives' or employees' Compliance Violation (or risk of violation).
- ② The person who receives or processes whistleblowing report should keep the informant's personal information and the details of the report confidential, and shall be subject to sanctions, including disciplinary actions, for breaching confidentiality.
- ③ The Company should take necessary measures to prevent informants and investigation cooperatives from being disadvantaged due to legitimate reporting and investigation cooperation. In the event disadvantages are given to the informant, appropriate actions should be taken, including measures to recover the informant's damage and sanctions such

as disciplinary actions against the person who provided such disadvantage.

- ④ If an informant reports any wrongdoings such as illicit acts or improper acts involving the informant, the informant may be remitted or waived of disciplinary actions caused by such wrongdoings.

Article 21. Investigation into Compliance Violation

- ① The Compliance Officer may directly, or request others, such as relevant department, to investigate a Compliance Violation (or the risk of violation) to ascertain factors such as the cause, vulnerabilities in the management system, intention or negligence, of the relevant executives and employees, and the relevant department or executives and employees shall comply with such request.
- ② The Compliance Officer may establish an appropriate scope of investigation during such investigation and request manpower to the relevant department if deemed necessary.
- ③ The Compliance Officer shall systematically organize and document the results of the investigation, and the results of the investigation shall be shared with the head of the relevant department.

Article 22. Measure for Violations

The Compliance Officer may notify the head of the department of concern or report the Compliance Violation to a representative director, request to take appropriate measures such as suspension, improvement, correction or sanctions, and, if necessary, may consult with the relevant department to prepare a comprehensive

response plan and recommend such plan to a representative director. However, in case of emergency, the Compliance Officer may take necessary measures, such as the suspension, improvement, and request of correction, to the relevant executives and employees under one's own judgment before such report and recommendation shall take place.

Article 23. Analysis of Violations and Improvements

- ① The Compliance Officer shall analyze and evaluate the causes of major Compliance Violation, the appropriateness of the response process, vulnerabilities in the management system, and the effectiveness of measures to prevent recurrence.
- ② Vulnerabilities that requires improvement found as a result of analysis and evaluation under paragraph 1 shall be established and effectively implemented in consultation with the relevant departments. Improvement tasks may include specific internal process improvements such as pre-approval of the cost payment process and improvement of the partner company registration management process.
- ③ The Compliance Officer shall disseminate the improvement tasks under paragraph 2 to other organizations in the Company or reflect such tasks in education depending on the case.
- ④ The Compliance Officer may prepare a plan to prevent recurrence of the same or similar cases and propose such plan to the Board of Directors or a representative director.
- ⑤ Once the recurrence prevention plan has been decided, the Compliance Officer shall notify the relevant department, reflect the plan in relevant programs and policies in case of

improvement and check whether such plan is implemented or not.

Article 24. Handling Violations

- ① The Company shall take appropriate sanctions and measures, such as disciplinary action, corresponding to its significance, against violators of compliance and those in charge of management who fail to take reasonable measures to prevent and detect Compliance Violation.
- ② As a result of an investigation under Article 21, if there is a reason for disciplinary actions to be taken against the relevant executive or employee, the Compliance Officer shall propose disciplinary action to the Personnel Committee so that appropriate disciplinary procedures may be carried out.
- ③ The Company shall allow personnel measures, such as exclusion from existing positions, to be taken if executives and employees subject to disciplinary actions under paragraph 1 are in key positions. The relevant personnel measures should comprehensively consider the details, occurrence and the degree of the violation.
- ④ The Company should ensure that disciplinary actions are applied fairly and consistently to all executives and employees.

Article 25. Third-party Management

- ① The Compliance Officer shall allow the Company to prevent and manage third-party Legal Risks used by the Company.
- ② The Compliance Officer may evaluate the Legal Risk or take necessary measures, such as collection of pledges, inspection and education, in the process of selecting and operating a

third-party under paragraph 1.

Article 26. Acquisition and Merger

- ① The Compliance Officer may evaluate the Legal Risk by participating in major stages such as due diligence in the process of the acquisition or merger of other companies.
- ② The Compliance Officer shall assist the acquired company's Compliance Control System to operate effectively and may regularly conduct evaluation such as inspection.

Article 27. Building a Culture of Compliance in the Top Management and Managers

- ① The Compliance Officer shall come up with specific measures for the Top Management and managers (head of group or higher) to take the lead in establishing and maintaining the Company's compliance culture.
- ② The Compliance Officer shall report specific measures to establish and maintain an internal culture of compliance under paragraph 1 to the Board of Directors.

Article 28. Delivery and Management of Information and Data

- ① The Compliance Officer may request executives and employees of the related department for information necessary for compliance performance in a valid form. Executives and employees who have been asked to comply with the Compliance Officer should respond promptly and faithfully.
- ② The Compliance Officer shall prepare an integrated data management system that can systematically organize and safely store information and data related to compliance.

- ③ The information or data generated under the compliance system shall be kept for the period prescribed by the relevant laws, if it is necessary to preserve such information or data in accordance with the provisions of the relevant laws.

Article 29. No Disclosure of Confidential Information

No executive or employee involved in Compliance Control shall disclose any confidential information acquired while performing tasks.

Chapter 4. Validation

Article 30. Standards and Procedures of Validation

- ① The Compliance Officer shall conduct an evaluation of the effectiveness of the Compliance Control System once a year and report the results to the Board of Directors and the Committee. The Board of Directors shall verify the system and seek ways to improve the system if it finds anything to supplement or improve.
- ② When evaluating the effectiveness, the Compliance Officer should conduct an empirical review of the appropriateness and effectiveness of the contents of Compliance Control Regulations, the evaluation and management system on Legal Risks, compliance check and report system, independent performance system for Compliance Officer, and disciplinary actions for Compliance Violation.

Article 31. Follow-up Measures of Validation

The Compliance Officer shall establish and implement detailed improvement measures for inadequacies or defects based on the results verified and sought by the Board of Directors pursuant to Article 30 paragraph 1.

Chapter 5. Miscellaneous

Article 32. Reward for Executives and Employees

- ① The Compliance Officer may propose a reward or promotion for those who faithfully comply with Compliance Control Regulations to prevent or reduce damages of the Company.
- ② The Compliance Officer shall ensure that the reward measures are applied fairly and consistently to all executives and employees, and may periodically collect major cases and inform executives and employees of the details, excluding personal information, to the extent legitimate to raise awareness of compliance obligations.

Article 33. Particulars

The Compliance Officer may set details necessary for the implementation of Compliance Control Regulations such as "Compliance Operating Rules," "Code of Conduct," and "Compliance Program Management Rules."

Article 34. Pledge of Compliance and Ethical Management

The Compliance Officer shall require all executives and employees to prepare and submit a Pledge of Compliance and Ethical Management.

Supplementary Provision

These Regulations shall enter into force on October 1, 2010.

Supplementary Provision (Mar.26.2012)

These Regulations take effect on March 26, 2012, and apply to the future after the enforcement date.

Supplementary Provision (Jan.30.2020)

These regulations take effect on January 30, 2020, and apply to the future after the enforcement date.