

# Anti-Corruption Policy

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SAMSUNG SDS Co., Ltd.

# SAMSUNG SDS

## Anti-Corruption Policy

### Clause 1 OBJECTIVE

Samsung SDS Co., Ltd. (hereinafter referred to as the "Company") establishes this Anti-Corruption Policy (hereinafter referred to as the "Policy") to promote sound and sustainable development of Company in conducting business ethically and legally by following domestic and international anti-corruption laws.

### Clause 2 GROUND RULE

- ① Company's executives and employees shall comply with the UN Convention Against Corruption and all anti-corruption laws of Korea, including the Criminal Act, the Act on the Aggravated Punishment of Specific Crimes, the Act on Combating Bribery of Foreign Public Officials in International Business Transactions, and Improper Solicitation and Graft Act and all overseas anti-corruption laws including those related to the prevention of corruption in the local country that the Company conducts business, such as the Act on the Prevention of Foreign Corrupt Practices in the USA, the Act on the Prevention of Foreign Corrupt Practices in the U.K (UK Bribery Act 2010), and the OECD Convention on the Prevention of Bribery (hereinafter referred to as the "Anti-Corruption Laws").
- ② The chief compliance officer can establish guidelines to comply with this Policy and the Company's executives and employees shall comply with the guidelines.

### Clause 3 SCOPE AND APPLICATION

- ① This Policy applies to all executives and employees of the Company, including domestic and overseas subsidiaries and branches (hereinafter referred to as "Company Employees"). All individuals and entities doing business with the Company shall understand and comply with this Policy in relation to their dealings with the Company.
- ② Company Employees shall inform and cooperate to ensure that all individuals and entities doing business with the Company comply with this Policy in relation to their dealings with the Company.
- ③ Exceptions to this Policy permits only in these cases, if local law permits them and guidelines for compliance with this Policy can be set separately in each country according to local laws and conditions.

## Clause 4 DEFINITIONS OF TERMS

① The terms used in this Policy are defined as follows.

1. "Government Officials" shall mean the direct family of government officials, spouses of government officials and officials who fall under any one of the following:

- National or local government officials (Any person engaged in the legislative, administrative or judicial bodies of the government, regardless of appointment or elective office);
- Candidate for government office;
- Member of political parties;
- Executives and employees of government-owned corporation in which government actually exercises a control over the corporation's operation in general);
- Officers and employees of a public organization or public institution established to carry out public affairs;
- Employees of international organization (e.g. International Monetary Fund);
- Official agent or consultant of the government;
- Executives and employees of non-governmental organizations (NGO);
- Executives and employees of government-related organizations or a person entrusted with public affairs

2. "Counterparty" means the individual and other legal entities that provide products and services to the Company including a) intermediary/representative such as agent, broker, consultant; b) business partners such as joint venturers; and c) suppliers such as vendors, service providers, sub-contractors and distributors.

3. "Unfair business profit" means any profit that the company acquires in an unjustifiable way contrary to laws or social norms. Profit here includes securing either or receiving favorable treatment one of the following:

- Acquisition or maintenance of a contract;
- Confidential information about bids, business opportunities or activities of competitor;
- Accreditation approval or permit;
- Tariffs, taxes, fines or administrative order

4. "Money and valuables" means one of the following:

- Money, securities, real estate, goods, accommodation, membership, tickets, discounts, invitations, admission tickets, and all property interests, such as the right to use real estate;
- Being received as treat or catering and entertainment for food, alcoholic beverages and golf;
- Provision of convenience in transportation, accommodation and travel;
- Exemptions from debt, employment offer and privilege grants;
- Any other tangible and intangible economic benefits

5. "Provisions, offers or promises" include not only to provide money, but also simple promise or offer, as well as promises or suggestions that are not actually fulfilled. In this case, it includes providing, proposing, or promising tangible and intangible benefits to a third party, if it is known or should have known that all or part of the money paid to a third party will be passed on to a public official.

6. Terms not separately defined in this Policy shall follow the definitions of local or national Anti-Corruption Laws.

## Clause 5 GENERAL PROHIBITIONS

### ① General Prohibitions

Company Employees shall not provide, offer, or promise money and valuables, directly or through a third party, to government officials for the purpose of unfair business profits. Company Employees shall not demand and/or receive illicit money and valuables related to their work. In case of using intermediary / agent for the Company's business, Company Employees must check that any commission and/or fees paid to intermediary / agent are not used for bribery.

### ② Prohibition of Improper Solicitation and Bribery to Government Officials

Company Employees shall not make illegal solicitations or provide bribery or other goods to government officials. For this section, the scope of government officials shall refer to the subjects prescribed by local or national law prohibiting improper solicitation and bribery to governmental officials.

## Clause 6 GIFTS AND HOSPITALITY

### ① General Prohibitions

1. Company Employees are not allowed to provide any gifts and hospitality regarded as unfair business profits outside the scope permitted by law.

2. The following are examples of the prohibited gifts and entertainment under this Policy, if they are:

- Gifts and entertainment provided for the purpose of unfair business profits;
- Gifts and entertainment to government officials who are involved in commercial decision of the Company's interest (bids, permits, etc.);
- Gifts and entertainment prohibited by law (e.g. narcotics);
- Extravagant and luxurious gifts and entertainment;
- Gifts and entertainment that would be embarrassing if it is disclosed to the public;
- Cash or other monetary payment including loan

### ② Permissible Gifts & Hospitality

1. Company Employees may provide gifts and entertainment in good faith to the extent permitted by local laws and custom at reasonable cost;

2. The following gifts and hospitalities are generally acceptable. However, it may be possible to offer within reasonable prices permitted by local laws and customs;

- Meals and beverage served with Company Employees;
- Ceremonial gift and other customary offerings (e.g. congratulations and condolences wreath);
- Gifts of ceremonial nature events (e.g. medals);
- Promotional gifts such as calendars, diaries

### ③ Approval

Company Employees shall comply with the execution and approval procedures established within the Company with regard to any gift and hospitality related matters.

### ④ Record Keeping

The provision of all gifts and hospitality shall be substantiated by invoices, receipts, or other means, and must be accurately recorded and reflected in accounting documents.

## Clause 7 TRAVEL AND BUSINESS TRIP

### ① General Prohibitions

1. Company Employees shall not provide travel (business trips) to government officials or others for the purpose of unfair business profits.

2. The following are examples of business trips that are prohibited to provide:

- Provision of cash for travel expenses;
- Provision of travel and travel expenses unrelated to the purpose of business trip;
- Provision of extravagant and luxurious travel;
- Provision of travel expenses to spouses or immediate family members of government officials;
- Provision of travel (business trip) to government officials, if there is a pending issue

### ② Permissible Travel (Business Trip)

1. Provision of travel (business trip) shall be allowed at reasonable cost under the same scope and payment standard set for the Company's Employees, if it is directly related to the purpose of business, execution or performance of the contract.

2. Travel (business trip) expenses such as transportation, accommodation and meals shall be paid directly to the service provider (hotels, travel agencies, etc.)

3. Examples of Permissible Provision of Travel (Business Trip)

- In case a Counterparty is required to participate in education and training organized by the Company or a third party in accordance with the terms of the contract;
- In case a meeting on technology, operation, and project is required;
- In case that the Company's due diligence is required to win a project;
- In case that provisions of travel expenses are regulated by applicable laws

### ③ Approval

Company Employees shall comply with the execution and approval procedures established within the Company with regard to travel and business trip.

### ④ Record Keeping

A provision of all travel expenses shall be substantiated by invoices, receipts, or other means, and must be accurately recorded and reflected in accounting documents.

## Clause 8 PROHIBITION ON TAKING ILLEGAL MONEY AND VALUABLE

### ① General Prohibitions

Company Employees are prohibited to receive money and valuable including cash, monetary compensation and gifts from Counterparty or third party who desires to deal with the Company.

### ② Prohibited Gifts and Entertainments

Company Employees are prohibited to demand or receive gift, entertainment and other benefits (including cash and any other monetary compensation) in return of favors from Counterparty or third party who desires to deal with the Company.

### ③ Participating a Seminar Organized by Third Party

Company Employees are allowed to participate a work-required seminar organized by third party in domestic or foreign countries and in such case, all expenses of airfare, lodging and travel (business trip) will be borne by the Company. Such participation is, however, not allowed if the seminar is combined with a golf, travel and other activities for entertainment purposes.

## Clause 9 SPONSORSHIP AND DONATION

### ① General Prohibition

Company Employees are not allowed to provide sponsorship and donation for the purpose of unfair business profits.

### ② Permitted Provision

Sponsorship or donation is available when it is provided to charity or others in good faith.

### ③ Approval

Company shall observe the approval and execution procedures for provision of sponsorship and donation and shall go through "Committee Review in Advance" in accordance with the guidelines.

### ④ Record Keeping

All documents related to the provision of sponsorship and donation shall be accurately described and recorded in terms of expenditures and expenses.

## Clause 10 POLITICAL DONATIONS

① Company Employees shall not provide any political donations, including contributions to candidates for government office, political party and lawmakers.

② Exceptions to this Policy permits only in these cases, if local law permits them and a provision is complying with the standards and procedures established by applicable laws.

## Clause 11 FACILITATION PAYMENTS

① Company Employees are prohibited to make, directly or through third party, small amount of money, known as "facilitation payment", to government officials to expedite or secure the performance of routine government actions.

② Facilitation payment is considered as bribe and strictly prohibited by the Company. Despite in some countries facilitation payment are made as customary, Company Employees are not permitted to make facilitation payments for any reason.

## Clause 12 CONFLICT OF INTERESTS

① Company Employees shall strive to prevent any situations that Company Employee's personal gains are adversely affect or feared to adversely affect their business judgment or decision-making (hereinafter referred to as "Conflict of Interests").

Examples of the Conflict of Interest are the following:

1. Company Employees own significant shares of the Counterparty to a transaction;
2. Company Employees are acting as main executives of the Counterparty, such as member of board of directors, or are relatives of main executives if the Counterparty;
3. Company Employees can affect the Company's decision on hiring of Company Employee's relatives, family members or other persons with personal relationships;
4. In all other cases, Company is directly or indirectly disadvantaged or in undue influence due to personal interests of Company Employees or their relatives

② Company Employees shall be excluded from the relevant work after reporting to their team leader if the Conflict of Interest is inevitable despite the efforts set forth in the above section of this clause.

### Clause 13 **ANTI-CORRUPTION OF COUNTERPARTY**

① Before signing a contract, if Company believes that a due diligence is necessary to verify Counterparty's compliance with the Anti-Corruption Laws and this Policy, Company can conduct compliance due diligence.

1. A compliance due diligence can be considered as necessary in the following cases.

- In case that it is predictable that Counterparty will contact governmental officials or deal with third party, in representation of the Company or for its interests;
- In case that Counterparty, acting as intermediary or agent of the Company, provides services related to the Company's international trade activities including import/export, customs clearance etc.;
- In case that a transaction is related to the Company's important undisclosed information or is taking place with the Company's important undisclosed information

② Company will immediately suspend and cancel the relevant contract, if the Company reasonably believes that a Counterparty is not complying with the Anti-Corruption Laws and this Policy.

### Clause 14 **BOOKS AND RECORDS**

Company Employees shall manage their books and records in detailed accuracy by reflecting transactions of every kind. Company Employees shall make accounting and financial reports fairly and appropriately in accordance with relevant laws and regulations. For any purposes, Company Employees shall not record untrue facts or forged information, nor omit to record any facts and/or information that are required to record.

### Clause 15 **M&A**

① By acquiring another company, Company may be forced to bear the acquiring company's past legal responsibility and may be held responsible for company's actions that continue to violate Anti-Corruption Laws even after the acquisition. Company must conduct due diligence so that it can detect and resolve legal risks before moving forward with mergers, acquisitions, divestitures or transactions involving acquisition of stock or assets, or formation of a partnership or joint venture (hereinafter referred to as the "M&A"). Company Employees should actively cooperate with the necessary measures for M&A.

② Company shall establish internal control and compliance programs for the acquired company, including compliance education to employees, inspection and monitoring, and third party compliance due diligence at an early stage.

## Clause 16 REPORTING AND ANTI-RETALIATION

- ① Company Employees are required to report any actual or suspicious violation of this Policy or any applicable Anti-Corruption Laws to Compliance Team. Furthermore, Company Employees are required to consult with the Legal/Compliance Team upon receiving any request for information or any other contact by a governmental investigator with respect the issues related to this Policy or Anti-Corruption Laws before responding or providing any information to the investigator.
- ② Company prohibits any form of retaliation or intimidation against the person who, in good faith, has actually reported a perceived violation of this Policy or applicable Anti-Corruption Laws, expressed an intention to report, helped a co-worker to proceed with a report, or participated in or assisted with an investigation even if the Company ultimately concludes that there was no violation.

## Clause 17 INQUIRY

- ① This Policy is intended to ensure that Company Employees are aware of relevant Anti-Corruption Laws affecting the Company's business. Company Employees are responsible for understanding and complying with applicable Anti-Corruption Laws within the scope of their employment and responsibilities with the Company.
- ② The Compliance Team is a resource for guidance on this Policy and Anti-Corruption Laws. Company Employees shall consult with the Compliance Team for any inquiry and seek guidance as necessary to understand and comply with the Anti-Corruption Laws.

## Clause 18 CONSEQUENCES OF VIOLATION

- ① Any failure to comply with this Policy may have serious consequences for Company as well as individual Company Employees or Counterparties. Failure to comply with this Policy, or its related procedures, can result in serious criminal penalties on both Company and Company Employees and severely damage Company's reputation. Company Employees involved in violations could be disciplined, including termination of the employment, and could also be subject to fines and imprisonment, regardless of their country of citizenship.
- ② Disciplinary actions against Company Employees involved in violation of this Policy shall be proceeded in accordance with the Standards of Compliance Control and other applicable internal standards and procedures of the Company.

## Clause 19 POLICY IMPLEMENTATION AND AMENDMENT

The chief compliance officer can determine detailed issues related to the implementation and amendment of this Policy and its enforcement.

## ※ SUPPLEMENTARY PROVISION

This Policy was enacted and effective, as of August 11, 2021.