

**Company Policy
for
Compliance with Anti-Corruption Acts**

Hanwha Techwin Co., Ltd.

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Chapter 1 General Rules

Article 1 (Purpose)

- ① Hanwha Techwin Co., Ltd. (hereinafter referred to as the "Company") values the lawful management of the Company and is committed to comply with the highest level of legal and ethical standards wherever it conducts business around the world.
- ② To provide standards for correct decision-making process and proper ethical judgment that would hold all of its management and employees accountable to comply with domestic and foreign anti-corruption acts, as well as all relevant laws and regulations, the Company enacts the following rules for its anti-corruption prevention commitment (hereinafter referred to as the "Policy").

Article 2 (Applicability)

- ① This Policy shall be applicable to all of the management and employees of the Company's domestic and overseas subsidiaries, branches and corporations (hereinafter referred to as "Management and Employees").
- ② In addition to the Company's Management and Employees, this Policy shall also apply to the relationships between the Company's business counterparts, agents, consultants, representatives, joint venture companies, partnership companies, as well as their business partners.
- ③ Additional guidelines may be established for compliance with this Policy depending on the local conditions and laws of each country where the Company's Management, Employees and applicable entities conduct business.

Article 3 (Definitions)

- ① The terms used in this Policy are defined as follows:
 1. "**Agent**" shall mean agents, consultants, or professional advisors (e.g., law, labor, accounting or tax-related experts) who have been hired to promote, explain or demonstrate products or services, explain or assist the performance or execution of agreements and other government-related works;
 2. "**Bribery**" shall mean valuables, properties and other tangible or non-tangible rewards provided illegally or improperly in order to induce, gain or maintain business advantages from a Government Officer(s), Client(s), Third Party, and etc.;
 3. "**Client**" shall mean individual officers and/or employees of a company who receives products or services from the Company, and shall not mean the corporation itself;
 4. "**Entertainment**" shall mean bearing the costs of meals, drinks, sports and other leisure activities or providing other non-tangible rewards/profits;

5. "**Facilitation Payment**" shall mean money paid to a foreign Government Officer in order to promote a speedy processing of general governmental works (e.g. obtaining licenses or approvals, quick processing of official documents such as visas or dealing with unfair delays at customs);
 6. "**Gift**" shall mean anything generally acceptable under the social rules of society, which is provided without any expectation of unlawful or unfair rewards/advantages derived from it;
 7. "**Government Officer**" shall mean the management, employees or official agents working for a governmental entity of an area, city, province, state or federation in the world and/or Korea (or government departments, government agencies, government organizations and so on), management and employees of a company run or owned by the government (e.g., a national enterprise or government funded company), employees of a public international organization (e.g., the UN, the World Bank), an employee of a political party or a candidate for a government position;
 8. "**Hospitality**" shall mean any valuables and/or property gains provided in the event of anniversaries and condolences;
 9. "**Third Party**" shall collectively refer to business counterparts, a partner company (e.g., consortiums), or a joint venture that engage in business with the Company, as well as an Agent; and
 10. "**Valuables**" shall generally refer to any and all forms of economic value, including, but not limited to, money, valuable items, gifts, meals and entertainment, reimbursement for travel expenditures, donations (political and charitable), memberships and/or gift cards.
- ② Any term not defined in this Policy shall follow the meaning ascribed to them in other anti-corruption related rules and policies of each country.

Chapter 2 Compliance with Anti-Corruption Regulations

Article 4 (Compliance with Domestic Regulations)

The Management and Employees of the Company shall be in full compliance with the anti-corruption acts of Korea including the Korean 「Criminal Act」, 「Act on the Aggravated Punishment, etc. of Specific Crimes」, 「Act on the Aggravated Punishment, etc. of Specific Economic Crimes」, 「Act on Combating Bribery of Foreign Public Officials in International Business Transaction」, together with the related policy for combating bribery and any other anti-corruption related rules of Korea.

Article 5 (Compliance with Foreign Regulations)

The Management and Employees of the Company, when engaging in business abroad, shall strictly comply with all local anti-corruption related laws (including domestic anti-corruption regulations set forth in Article 4 above, hereinafter collectively referred to as the “Anti-Corruption Acts”), including the Foreign Corrupt Practices Act of the U.S.A. (hereinafter referred to as "FCPA"), the UK Bribery Act 2010 and the OECD Anti-Bribery Convention, regardless of region or country in which they conduct business.

Chapter 3 Prohibitions

Article 6 (Fundamental Prohibitions)

The Management and Employees of the Company shall not directly or indirectly provide, suggest, promise and/or approve of money, Valuables or other Bribery to a Government Officer, Client or other third party (hereinafter collectively referred to as “Government Officials”) in order to exert influence, induce, acquire or maintain improper business rewards/advantages.

Article 7 (Exceptions)

- ① While providing improper money, Valuables or other tangible and/or intangible rewards/profits in order to induce or in exchange for business advantages and preferential treatment is strictly prohibited, providing specific work-related conveniences to Government Officials for bona fide reasons may be permitted as an exception.
- ② If and when the Management and Employees provide Government Officials with business conveniences such as gifts, meals and entertainment, services, and etc. to sign contracts or to promote cordial business relationships, the following principles and procedures shall be observed:
 1. Business conveniences can only be provided within the boundaries of the highest standards set forth by the laws or the code of conduct in each country;
 2. Business conveniences can only be provided in accordance with the local culture and customs;
 3. Business conveniences must be reasonable and proper;
 4. Business conveniences shall not be provided repeatedly or frequently to a specific Government Official; and
 5. The expenditures for business conveniences shall be supported by receipts, bills, statements or other appropriate means and shall be accurately recorded in the Company’s accounting books.

Article 8 (Hospitality)

- ① In the event of an anniversary or condolence for a Government Official, giving an insignificant amount of money may be permitted as a way to congratulate or to express condolences under the principles in Article 7.
- ② The maximum cap for these types of Hospitality shall be determined by the laws and code of conduct in each country.
- ③ The expenditures for these types of Hospitality shall be proven whenever possible and shall be properly classified and accounted for in the Company's accounting books, records and accounting documents.

Article 9 (Travel Expenditures)

- ① The Management and Employees of the Company may cover Government Official(s)' work-related travel expenditures and such payment(s) shall be made directly to the charging entity (e.g., to the hotel or the travel agency).
- ② In case the Management and Employees cover Government Official(s)' travel expenditures, as mentioned above, the following shall be observed:
 1. The process/method of covering such travel expenditures shall be in compliance with the Anti-Corruption Acts and code of conduct in each country;
 2. The travel expenditures shall have a direct relevance to the signing and/or performance of a contract and that such travel expenditures must be reasonable and proper, reflecting the actual amounts expended;
 3. Before covering/reimbursing the travel expenditures, the Management and Employees shall receive a prior approval from the appropriate personnel of the Company;
 4. The travel expenditures for personal trips of Government Officials shall not be paid for or reimbursed under any circumstance;
 5. The travel expenditures for the spouse or a family member of Government Officials shall not be paid for or reimbursed under any circumstance; and
 6. All travel-related expenditures shall be supported by receipts, bills, statements or other evidentiary documents and shall be accurately recorded in the Company's accounting books.

Article 10 (Facilitating Payment)

A Facilitating Payment is a payment made to expedite a routine governmental action that is of non-discretionary acts. The Company prohibits the Management and Employees to make such payment, as it is considered to be bribery in most countries.

Article 11 (Donations)

- ① Any political donation in the Company's name is strictly prohibited.
- ② As a donation to a charity organization may be used as a means to circumvent Anti-Corruption Acts, the Management and Employees shall verify the following aspects:
 1. Investigate whether the charity organization is a lawfully established entity;
 2. Investigate whether any unlawful payment has been made to Government Officials or any payment has been disguised as a donation to a charity organization; and
 3. Investigate whether a donation to a charity is used as a means to fund illegal activities that would violate any U.S. and/or international money laundering prevention act.

Chapter 4 Compliance by Third Party

Article 12 (Compliance by Third Party)

The Management and Employees of the Company shall inform/educate the Third Party of the Company's anti-corruption policy such as this Policy and ensure that the Third Party fully comply with the Policy.

Article 13 (Pre-Verification)

- ① The Management and Employees of the Company, when dealing with Government Officials through a Third Party, shall proceed with the following verification and due diligence procedures and shall also retain the resulting documents thereof:
 1. The recommender of the Third Party, the relationship with the Government Officials, political donations or any past records of violation of the Anti-Corruption Acts; and
 2. The precise role of the Third Party, payments for the role, and the reasonableness of such payment amounts.

Article 14 (Written Agreement)

- ① The Management and Employees of the Company shall include the following terms and conditions in a contract to be executed with a Third Party who conducts business with Government Officials:
 1. Representations and warranties by the Third Party warranting to comply with the Anti-Corruption Acts such as the FCPA and this Policy;
 2. Roles and responsibilities of the Third Party (including service details and payment terms);
 3. Right to termination and damages clause, if and when the Third Party violates the

Anti-Corruption Act, this Policy and/ or anti-corruption related provisions within the executed contract; and

4. Right to investigate and audit the Third Party, in case the Third Party has provided or is likely to provide improper gifts to Government Officials.
- ② The Management and Employees of the Company shall include all the above-mentioned terms and conditions in the agreement prior to execution and retain such executed agreement for records.
- ③ The Management and Employees of the Company shall monitor, on a regular basis, whether the Third Party is in compliance with anti-corruption provisions in the executed agreement(s) and shall produce and retain the results.

Article 15 (Signals of Danger / Red Flags)

- ① The Management and Employees of the Company responsible for Third Part(ies) shall be on the lookout for the following list of situations and shall immediately inquire with the compliance & legal affairs team, as these situations are considered to be signals of danger/red flags:
 1. If the country in which the business is being conducted has been widely known as corrupt-prone country;
 2. If one particular Third Party has been repeatedly and strongly recommended by a Government Official in the absence of his or her proper qualifications;
 3. Any time the Third Party rejects or neglects to comply with the FCPA and other Anti-Corruption Acts, including this Policy;
 4. If the Third Party denies to confirm the requested anti-corruption-related issues, or provides incomplete or inaccurate information thereof;
 5. If the Third Party refuses to sign an agreement with compliance-related clauses and/or requests to sign a dual agreement for unethical and fraudulent purposes;
 6. If the Third Party frequently makes political donations in substantial amounts;
 7. If the Third Party demands to receive payments through an unconventional, complicated method (e.g., demanding a wire transfer to a third country or routing the payment through a third party, or payment in another country, and etc.);
 8. If the Third Party demands an excessive, unreasonable payment for its work (e.g., demands for unreasonably high fixed payment or contingency fees that are higher than the market rate);
 9. The Third Party has a family relationship with the concerned Government Officials;
 10. The Third Party emphasizes its ability to influence Government Officials as its sole merit and capacity; and
 11. Any other activities that would raise due suspicion.

Chapter 5 Transparent Recordkeeping and Accounting Management

Article 16 (Accurate and Fair Bookkeeping and Records)

- ① The Company shall conduct accurate bookkeeping in an accurate and fair manner and maintain such records, reflecting all financial transactions of the Company.
- ② The Management and Employees of the Company shall ensure that all payments for Government Officials are supported by receipts, bills and statements and classified properly for each entry and account.

Chapter 6 Authority and Responsibilities of Compliance Committee

Article 17 (Compliance Committee's Authority and Responsibilities)

- ① The Company's policy for compliance with Anti-Corruption Acts shall be determined by the compliance committee (hereinafter referred to as the "CP Committee") and the CP Committee shall be in full charge of overseeing this Policy.
- ② The Compliance & Legal Affairs Team shall perform the following activities and report the results to the CP Committee:
 1. Establishing detailed guidelines for Anti-Corruption Acts, including this Policy;
 2. Providing notices, guidelines and answers to questions regarding the Anti-Corruption Acts and this Policy to the Company (including subsidiaries and overseas corporations) and a Third Party; and
 3. Reviewing and suggesting appropriate measures for matters that may or may have already violated the Anti-Corruption Acts and/or this Policy.

Article 18 (Department Manager's Responsibilities)

- ① The department manager of the Company shall provide occasional training and consulting to the Management and Employees in order for them to fully familiarize themselves with this Policy and shall take necessary precautionary measures to prevent potential violations.
- ② The department manager shall bear the responsibility of verifying whether his or her approval would violate any provision of this Policy prior to approval.

Chapter 7 Training and Inspection

Article 19 (Anti-Corruption Training)

- ① All Management and Employees of the Company who frequently or periodically

contact Government Officials shall complete a basic anti-corruption training of Anti-Corruption Acts and this Policy.

- ② The training of the Management and Employees shall adhere to the standards of the Compliance & Legal Affairs Team

Article 20 (Internal Inspection and Monitoring)

The Compliance & Legal Affairs Team shall regularly monitor whether the Management and Employees of the Company observe the Anti-Corruption Acts and/or this Policy; and, if necessary, perform on-site investigations and report the results to the CP Committee.

Article 21 (Inquiry)

The Management and Employees of the Company shall fully comply with Anti-Corruption Acts and this Policy and in case there is any inquiry regarding the legality of certain actions, they shall submit such inquiry to the Compliance & Legal Affairs Team for determination.

Chapter 8 Reporting and Disciplinary Measures on Prohibited Activities

Article 22 (Reporting and Disciplinary Measures on Prohibited Activities)

- ① In the event that the Management and Employees of the Company have knowledge that the Anti-Corruption Acts and/or any provision of this Policy has been violated or is suspected to be violated, such Management and Employees shall immediately report that knowledge to the Compliance & Legal Affairs Team.
- ② For reporting purposes, the Management and Employees of the Company may utilize the following means: direct visits to the Compliance & Legal Affairs Team, telephones, fax or e-mail at (compliance1@hanwha.com) or the Report function under the Compliance Management System (CPMS).
- ③ The Compliance & Legal Affairs Team reserves the right to investigate the nature of the reported, alleged violation; and, if necessary, may report the investigation results to the CP Committee.

Chapter 9 Protection of Whistleblowers and Punishment Guidelines for Violators

Article 23 (Internal Whistleblower Protection and Rewarding)

- ① The Company shall exercise the utmost care to ensure the anonymity of the Management and Employees who reported a suspicious activity or an actual violation of

the Anti-Corruption Acts and/or this Policy, while ensuring that no disadvantage is given at work to those Management and Employees reporting such incident.

- ② The Company may provide appropriate rewards for the Management and Employees who report cases of violations upon completion of assessing such report.
- ③ Notwithstanding the above Sections 1 and 2, if the report contained any of the following elements, it shall be regarded as an inaccurate report and the protection for the whistleblower(s) shall be removed accordingly:
 - 1. The reporter knew or could have known that the report was false; and/or
 - 2. The reporter had demanded for specific employment-related benefits or gifts in exchange for the report, or had used the report for any improper purpose.

Article 24 (Punishment Guidelines for Violators)

- ① In addition to the employment of any civil and criminal proceedings against those Management and Employees who have violated the Anti-Corruption Acts and/or this Policy, the Company may also impose appropriate Company sanction(s) to penalize those violators.
- ② If the Management and Employees are fined as a result of any civil and/or criminal proceedings for the violation of the Anti-Corruption Acts, the Company shall not be severally and jointly liable for such fine and those violators are not entitled to be reimbursed by the Company in any way.

Chapter 10 Miscellaneous Provisions

Article 25 (Amendment)

In the event that any provision of this Policy must be amended, the CP Committee can amend any or all provisions of this Policy by proper resolution(s).

Supplementary Provisions (2014.02.25)

This Policy shall be established and take effect as of February 25, 2014.

Supplementary Provisions (2015.06.29)

This Policy shall be revised and take effect as of June 29, 2015.

Supplementary Provisions (2016.02.22)

This Policy shall be revised and take effect as of February 22, 2016.