

Code of Conduct for Business Partners

Chapter 1. General Provisions

1. Objective

- The objective of this Code of Conduct for Business Partners is to secure transparency and fairness in the transactions between the Company and its business partners, and establish and develop a trust relationship between them.

2. Coverage

- This Code of Conduct for Business Partners shall apply to the officers and employees of business partners.

3. The Operations of this Code of Conduct for Business Partners

- The officers and employees of business partners shall obtain and implement advice by Internal Auditing Team of affiliates of Hyundai Heavy Industries Group (hereinafter referred to as “Hyundai Heavy Industries”) with respect to unclear matters in interpreting and observing this Code of Conduct for Business Partners.
- The CEO of a business partner or a hands-on employee responsible for transactions with Hyundai Heavy Industries shall confirm that he or she has understood this Code of Conduct for Business Partners, and submit a written pledge intended to agree to comply with any and all business ethics policies of Hyundai Heavy Industries including this Code of Conduct for Business Partners.

Chapter 2. Principles of Performance of Duties

1. Attitudes for Performance of Duties

- The officers and employees of business partners shall perform relevant duties in a transparent and fair way in performing duties with Hyundai Heavy Industries.
- The Business Partners and their officers and employees shall pursue joint prosperity based on the trust relationship with Hyundai Heavy Industries, and shall not engage in any and all activities against the purpose.

2. Transparency in Business Transaction Relations

- The officers and employees of business partners shall comply with relevant laws to maintain fair business transaction relationships, and shall not pursue economic or noneconomic profits in an unreasonable way.

3. Prohibited Activities

- In order to ensure fair and transparent transactions, the officers and employees of business partners shall not propose, provide, or promise the following matters to the Employees of Hyundai Heavy Industries, their family members, or third parties related to the Employees of Hyundai Heavy Industries:
 - Monetary gains, including the monies and valuables, securities, gifts, gift vouchers, etc.;
 - Having entertainments at unhealthy business places or receptions beyond the social norms;
 - Providing accommodations for business trip, assisting personal leaves, or providing accommodations of sponsorship for purposes other than the purpose on duty;
 - Making any and all transactions, such as transacting personal or real properties, or providing or being provided with payment guarantees for loans or lending or borrowing of money, that may be conspicuously favorable or unfavorable to one transacting party; and
 - Having a dual position with, acquiring a share of, receiving guarantee of employment of, or making investments jointly with the officers or employees of a business partner, etc.; and
 - Obtaining any and all monetary and non-monetary amenities by taking advantage of their interests.
- All employees of business partners shall comply with the Domestic and Foreign Anti-Corruption Laws and International anti-corruption conventions in performing business affairs inside and outside of Korea.
- All employees of business partners shall not offer, promise, authorize or provide Economic Benefits to existing or future transaction counterparties, including Domestic or Foreign Government Employees, directly or through a third party, for the Purpose of Obtaining Illicit or Improper Personal or Business Gains.

Chapter 3. Handling Violations of Company Regulations

1. Reporting of Violations

- The officers and employees of business partners shall comply with this Code of Conduct for Business Partners, and shall report to Internal Auditing Team any matter that is or is likely to violate this Code of Conduct for Business Partners.
- The officers and employees of business partners ensure that all the matters on handling reports and the identities of reporters shall be kept in strict secret, and that any disadvantages shall not be given as a result of reporting; provided, however, that even if there is a fault on the part of a duty performer, where he or she has voluntarily reported it, the mitigating circumstances shall be taken into consideration.

2. Handling Violations

- The Business Ethics Team of Hyundai Heavy Industries shall conduct the investigation of violations reported and received and if a business partner has violated the Company's regulations of ethics, the Business Ethics Team of the Company may take relevant measures, such as giving warning to the business partner, requesting the business partner to prevent reoccurrence thereof, restricting the business partner's bid for a certain period of time, etc. according to the severity.
- In the event that a business partner or its officer or employee has voluntarily reported his or her violation(s) of the business partner's regulations of ethics, the Company shall make efforts to maintain a healthy partnership relationship by examining the context of the case and taking into consideration the mitigating circumstances to a maximum extent.

Chapter 4. Additional Provisions

1. Effective Date

- This Code of Conduct for Business Partners is enacted and effective from October 4, 2005.
- The first amendment to this Code of Conduct for Business Partners has been in effect as of July 25, 2014.