FINAL ASSESSMENT
LIG NEX1 CO., LTD

The following pages contain the detailed scoring for your company based on public information.

The following table represents a summary of your scores:

<table>
<thead>
<tr>
<th>Topic</th>
<th>Number of questions</th>
<th>% score based on public information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership, Governance and Organisation</td>
<td>10</td>
<td>5%</td>
</tr>
<tr>
<td>Risk Management</td>
<td>7</td>
<td>0%</td>
</tr>
<tr>
<td>Company Policy and Codes</td>
<td>12</td>
<td>33.3%</td>
</tr>
<tr>
<td>Training</td>
<td>5</td>
<td>20%</td>
</tr>
<tr>
<td>Personnel and Helplines</td>
<td>7</td>
<td>21.4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41</strong></td>
<td><strong>17.1%</strong></td>
</tr>
</tbody>
</table>
A1:
Does the company publish a statement from the Chief Executive Officer or the Chair of the Board supporting the ethics and anti-corruption agenda of the company?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the CEO or Chair of the Board have published a statement that promotes the company’s ethics and anti-corruption agenda.

References:
Public:
NA
A2:
Does the company’s Chief Executive Officer or the Chair of the Board demonstrate a strong personal, external facing commitment to the ethics and anti-corruption agenda of the company?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the CEO or Chair of the Board demonstrates a strong personal, external facing commitment to the ethics and anti-corruption agenda of the company.

References:
Public:
NA
A3:
Does the company’s Chief Executive Officer demonstrate a strong personal, internal-facing commitment to the ethics and anti-corruption agenda of the company, actively promoting the ethics and anti-corruption agenda at all levels of the company structure?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the CEO demonstrates a strong personal, internal-facing commitment to the ethics and anti-corruption agenda of the company. TI notes that the CEO emphasised ethical management in his New Year’s Address/Management Principles, but no further details are provided.

References:
Public:
TI notes:
LIG Nex1 website: About Us – Ethical Management:
‘CEO emphasized ethical management in his New Year’s Address/Management Principles’.
http://www.lignex1.com/en_US/about/overview.jsp
A4:
Does the company publish a statement of values or principles representing high standards of business conduct, including honesty, trust, transparency, openness, integrity and accountability?

Score:

1

Comments:
Based on public information, the Vision Statement on the company website refers to trust and integrity, and the Ethical Management section of the website refers to fairness, honesty and reliability. The Code of Ethics slightly expands on these statements; however, this explanation is assessed to be rather limited. The company therefore scores 1.

References:
Public:
LIG Nex1 website: About Us – Vision:
‘Vision Statement - True Company: - Committed to earning our partners’ trust by upholding the value of integrity. - Building a relationship of trust and faith, based on which our partners make us their first choice. - Supporting the success of our customers, shareholders, suppliers, and employees. - Committed to becoming a trustworthy company...’

LIG Nex1 website: About Us – Ethical Management:
‘Ethical management practice programs to turn LIC Nex1 into a fair, honest and reliable company.’
http://www.lignex1.com/en_US/about/overview.jsp

Code of Ethics (March 2007), pp.1-3:
‘(3) We shall always remain truthful to our customers, and are bound to keep our promises accordingly... We shall not conduct such immoral deeds as may harm the rights and interests of the customers... We, LIG NEX1, conform to relevant laws and regulations and employ only fair and just means in securing our Competitive advantage in the market... (1) We uphold the principle of the free market economic system. Therefore we earn our customers’ trust through top quality products and services... (2) We shall compete fairly and capably with our
competitors, but do not intrude upon their interests or exploit their weakness. (3) We shall not acquire information or business secrets of the competitors by unfair means... All business transactions shall occur based on the principles of fair competition with equal opportunities for all entities to participate. We shall build trust and cooperative relationship through fair and transparent transactions... (1) All business transactions shall be conducted under equitable circumstances... (2) The use of prominence in position to execute an unjust transaction is forbidden... 3. Maintaining Transparent Transaction: (1) We shall not acquire economic benefits from customers such as money and other goods, service, entertainment, and other facilities, or shall not request them to provide us with such. (2) With respect to business transactions, we shall not ask for special favor in any case by utilizing blood relation, regional relation and school relation. Also we shall not exert external pressure by utilizing prominent positions in business transaction. Chapter 4. Basic Ethics for Employees: Based on honesty and fairness, LIG NEX1 employees establish correct values and fulfill the duties through continuous self-development and fairness in performance. 1. Basic Ethics: (1) LIG NEX1 employees take pride in their company and always maintain an honest and fair attitude. (2) LIG NEX1 employees observe a high standard of morality and continuously strive to maintain their personal dignity and the company’s honor.’

p.4:
‘(1) LIG NEX1 employees carry out their duties based on honesty and fairness and seek to foster a sound business culture...

(3) LIG NEX1 employees do not participate in any immoral or unethical behaviors as prescribed by social norms in performing their duties to the company or in their personal lives.

(4) LIG NEX1 employees shall not make unfair solicitation or pressure among employees.’

A5:
Does the company belong to one or more national or international initiatives that promote anti-corruption or business ethics with a significant focus on anti-corruption?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company belongs to any national or international initiatives that promote anti-corruption or business ethics with a significant focus on anti-corruption. TI notes that the Company is a member of KDIA, but its anti-corruption focus remains unclear.

References:
Public:
TI notes:
Korean Defense Industry Association, About us:
‘Business Promotion Activities
To establish and recommend policies for the promotion of the Korean defense industry.
To arrange periodic and occasional gatherings of representatives from both the government and industries to discuss matters related to the promotion of the defense industry.
To research and recommend implementation and the changes of laws & regulations concerned with the defense industry as deemed necessary.
To compile and publish the laws & regulations concerned with the defense industry.
To take measures to solve the difficulties and recommendations of the industry members.
To arbitrate the conflicts of interests among the members.
To support the protection of classified information.
To arbitrate the conflicts of interests among the members.
To develop and recommend the systems related to the defense procurement contracts among the government and firms.
To recommend and allot funds for promoting the defense industry.
To provide administrative supports to the exemption from the military service for technicians and skilled laborers.’
https://www.kdia.or.kr.eng/1/3/1/view.do

KDIA Members:
https://www.kdia.or.kr.eng/4/1/memCondition.do?page=7&conditions1=&conditions2=&conditions3=&words=
A6: Has the company appointed a Board committee or individual Board member with overall corporate responsibility for its ethics and anti-corruption agenda?

Score:

0

Comments: Based on public information, there is no readily available evidence that the company has appointed a Board committee or individual Board member with overall corporate responsibility for its ethics and anti-corruption agenda.

References:

Public: NA
A7:
Has the company appointed a person at a senior level within the company to have responsibility for implementing the company's ethics and anti-corruption agenda, and who has a direct reporting line to the Board?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company has appointed a person at a senior level within the company to have responsibility for implementing the company’s ethics and anti-corruption agenda.

References:
Public:
NA
A8:
Is there regular Board level monitoring and review of the performance of the company’s ethics and anti-corruption agenda?

Score:

0

Comments:

Based on public information, there is no readily available evidence of regular Board level monitoring and review of the performance of the company’s ethics and anti-corruption agenda.

References:

Public:
NA
A8(a):
Is there a formal, clear, written plan in place on which the review of the ethics and anti-corruption agenda by the Board or senior management is based, and evidence of improvement plans being implemented when issues are identified?

Score:

0

Comments:
Based on public information, there is no readily available evidence of a formal, clear, written plan in place on which the review of the ethics and anti-corruption agenda by the Board or senior management is based, and no evidence of improvement plans being implemented when issues are identified.

References:
Public:
NA
A9:
Does the company have a formal process for review and where appropriate update its policies and practices in response to actual or alleged instances of corruption?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company has a formal process for review and where appropriate updates its policies and practices in response to actual or alleged instances of corruption.

References:
Public:
NA
A9(a):
Does the company have a formal anti-corruption risk assessment procedure implemented enterprise-wide?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company has a formal anti-corruption risk assessment procedure implemented enterprise-wide.

References:
Public:
NA
A10:

Does the company have a formal anti-corruption risk assessment procedure for assessing proposed business decisions, with clear requirements on the circumstances under which such a procedure should be applied?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a formal anti-corruption risk assessment procedure for assessing proposed business decisions, with clear requirements on the circumstances under which such a procedure should be applied.

References:

Public:
NA
A11: Does the company conduct due diligence that minimises corruption risk when selecting or reappointing its agents?

Score: 0

Comments: Based on public information, there is no readily available evidence that the company conducts due diligence that minimises corruption risk when selecting or reappointing its agents.

References:

| Public | NA |
A12:
Does the company have contractual rights and processes for the behaviour, monitoring, control, and audit of agents with respect to countering corruption?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company has contractual rights and processes for the behaviour, monitoring, control, and audit of agents with respect to countering corruption.

References:
Public: NA
NA
A13:
Does the company make clear to contractors, sub-contractors, and suppliers, through policy and contractual terms, its stance on bribery and corruption and the consequences of breaches to this stance?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company makes clear to contractors, sub-contractors, and suppliers, through policy and contractual terms, its stance on bribery and corruption and the consequences of breaches to this stance. The company website states that ethical management agreements are signed with partners and suppliers. However, TI notes that no further details are provided.

References:
Public:
TI notes:
LIG Nex1 website: About Us – Ethical Management:
‘Signed ethical management agreement with partners/suppliers
‘Ethical management training for relevant employees and representatives of partners/suppliers
Listen to the opinions of partners/suppliers’
http://www.lignex1.com/en_US/about/overview.jsp
A13(a):
Does the company explicitly address the corruption risks associated with offset contracting?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company explicitly addresses the corruption risks associated with offset contracting.

References:
Public:
NA
A13(b):
Does the company conduct due diligence that minimises corruption risk when selecting its offset partners and offset brokers?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company conducts due diligence that minimises corruption risk when selecting its offset partners and offset brokers.

References:

Public:
NA
A15:
Does the company have an anti-corruption policy that prohibits corruption in its various forms?

Score:

1

Comments:
Based on public information, the Code of Ethics prohibits the ‘use of prominence to execute an unjust transaction’, ‘acquiring economic benefits from customers’, or ‘requesting special favours or exerting pressure in business transactions’. Employees are also prohibited from accepting ‘any form of benefits from interested parties that may obstruct fair judgement’. However, TI has found no clear statement prohibiting corruption or information on the different forms that corruption might take. The company therefore scores 1.

References:
Public:
Code of Ethics (March 2007), p.2:
‘(2) The use of prominence in position to execute an unjust transaction is forbidden...
(1) We shall not acquire economic benefits from customers such as money and other goods, service, entertainment, and other facilities, or shall not request them to provide us with such.
(2) With respect to business transactions, we shall not ask for special favor in any case by utilizing blood relation, regional relation and school relation. Also we shall not exert external pressure by utilizing prominent positions in business transaction.’

pp.4-5: ‘(2) While performing their duties, LIG NEX1 employees do not accept any form of benefits from Interested parties that may obstruct fair judgment
(3) LIG NEX1 employees do not participate in any immoral or unethical behaviors as prescribed by social norms in performing their duties to the company or in their personal lives.
(4) LIG NEX1 employees shall not make unfair solicitation or pressure among employees...
(1) LIG NEX1 employees shall keep the fact in mind that pecuniary dealings among employees may cause such significant damages as weakening of organizational power or personal bankruptcy. Therefore we shall not make any pecuniary dealings such as loan of
money and other goods or offering surety.’

LIG Nex1 website: About Us – Ethical Management:
‘Ethical management practice programs to turn LIC Nex1 into a fair, honest and reliable company.’

- All executives/staff members make pledges for ethical management
- Ethical management training for new employees
- CEO emphasized ethical management in his New Year’s Address/Management Principles
- In-house unethical practice report system: ‘Clean Zone’
- Established/operated an in-house law-abiding system: ‘Compliance System’
- ‘No-Gifts’ campaign during public holidays
- Ethical management training for all executives/staff members
- Signed ethical management agreement with partners/suppliers
- CEO distributed an official letter asking for fair trade
- Ethical management training for relevant employees and representatives of partners/suppliers
- Listen to the opinions of partners/suppliers
- Unethical practice report system on the official website’.

http://www.lignex1.com/en_US/about/overview.jsp
A16: Is the anti-corruption policy explicitly one of zero tolerance?

Score: 0

Comments: Based on public information, the Code of Ethics uses strict language. However, there is no explicit statement against corruption or bribery specifically, and no information relating to violations of the Code.

References:

Public:
TI notes:
Code of Ethics (March 2007), p.2:
(2) The use of prominence in position to execute an unjust transaction is forbidden...
(1) We shall not acquire economic benefits from customers such as money and other goods, service, entertainment, and other facilities, or shall not request them to provide us with such.
(2) With respect to business transactions, we shall not ask for special favor in any case by utilizing blood relation, regional relation and school relation. Also we shall not exert external pressure by utilizing prominent positions in business transaction.’

pp.4-5: ‘(2) While performing their duties, LIG NEX1 employees do not accept any form of benefits from Interested parties that may obstruct fair judgment
(3) LIG NEX1 employees do not participate in any immoral or unethical behaviors as prescribed by social norms in performing their duties to the company or in their personal lives.
(4) LIG NEX1 employees shall not make unfair solicitation or pressure among employees...

(1) LIG NEX1 employees shall keep the fact in mind that pecuniary dealings among employees may cause such significant damages as weakening of organizational power or personal bankruptcy. Therefore we shall not make any pecuniary dealings such as loan of money and other goods or offering surety.’
A17:
Is the company's anti-corruption policy easily accessible to Board members, employees, contracted staff and any other organisations acting with or on behalf of the company?

Score:

1

Comments:
Based on public information, the Code of Ethics is available on the company website. However, evidence suggests the Code is only available in English, while evidence suggests it operates in multiple countries worldwide. The company therefore scores 1.

References:
Public:
Code of Ethics (March 2007)
A17(a):
Is the company’s anti-corruption policy easily understandable and clear to Board members, employees and third parties?

Score:
2

Comments:
Based on public information, the Code of Ethics is written in clear, understandable terms for all audiences.

References:
Public:
Code of Ethics (March 2007)

LIG Nex1 website: About Us – Ethical Management:
‘Ethical management practice programs to turn LIC Nex1 into a fair, honest and reliable company.’

- All executives/staff members make pledges for ethical management
- Ethical management training for new employees
- CEO emphasized ethical management in his New Year’s Address/Management Principles
- In-house unethical practice report system: ‘Clean Zone’
- Established/operated an in-house law-abiding system: ‘Compliance System’
- ‘No-Gifts’ campaign during public holidays
- Ethical management training for all executives/staff members
- Signed ethical management agreement with partners/suppliers
- CEO distributed an official letter asking for fair trade
- Ethical management training for relevant employees and representatives of partners/suppliers
- Listen to the opinions of partners/suppliers
- Unethical practice report system on the official website’.

http://www.lignex1.com/en_US/about/overview.jsp
A18:

Does the anti-corruption policy explicitly apply to all employees and members of the Board?

Score:

1

Comments:

Based on public information, there is some evidence that the Code applies to all employees, but is not clear whether it covers the members of the Board as well. The company therefore scores 1.

References:

Public:
LIG Nex1 website: About Us – Ethical Management:
‘Ethical management practice programs to turn LIC Nex1 into a fair, honest and reliable company.’
• All executives/staff members make pledges for ethical management
• Ethical management training for new employees
• CEO emphasized ethical management in his New Year’s Address/Management Principles
• In-house unethical practice report system: ‘Clean Zone’
• Established/operated an in-house law-abiding system: ‘Compliance System’
• ‘No-Gifts’ campaign during public holidays
• Ethical management training for all executives/staff members’
http://www.lignex1.com/en_US/about/overview.jsp

Code of Ethics (March 2007), p.2:
‘Thus we hereby have enacted this Code of Ethics as the standard of the right behaviors and value judgments that shall be abided by all of us, and we pledge ourselves to carry such to action.’
A20:
Does the company have a policy on potential conflicts of interest, and does it apply to both employees and board members?

Score:
1

Comments:
Based on public information, there is evidence that the Code of Ethics states that employees must avoid behaviour or relationships that conflict with company interests. Employees must not use company property to pursue personal interest without prior permission. However, the Code does not clearly define conflict of interest or illustrate where such a policy might apply. The company therefore scores 1.

References:
Public:
Code of Ethics (March 2007), p.4:
‘6. Avoidance of Conflict with Company Interests
(1) ) LIG NEX1 employees avoid any individual behavior or relationships that are in conflict with company interests.
(2) ) LIG NEX1 employees do not use company property to pursue their personal interests without prior permission.’
A21:
Does the company have a policy for the giving and receipt of gifts to ensure that such transactions are bona fide and not a subterfuge for bribery?

Score:
0

Comments:
Based on public information, there is evidence that the Code of Ethics prohibits the offering of gifts among employees but allows exceptions for ‘small gifts’, which are accepted in the scope of social convention. Limits for what can be accepted as a ‘small gift’ are not specified and the Code does not outline restrictions for the offering of gifts to non-employees. TI has found no readily available evidence that the receipt of gifts is prohibited.

References:
Public:
TI notes:
Code of Ethics (March 2007), pp.4-5:
‘8. Prohibition of Offering Gifts among Employees
   (1) Offering gifts among employees shall be absolutely prohibited. However, exceptions are made for small gifts which are accepted in the scope of social convention including birthday gifts, relocation, congratulations or condolences.’

LIG Nex1 website: About Us – Ethical Management:
‘Ethical management practice programs to turn LIC Nex1 into a fair, honest and reliable company.’
• All executives/staff members make pledges for ethical management
• Ethical management training for new employees
• CEO emphasized ethical management in his New Year’s Address/Management Principles
• In-house unethical practice report system: ‘Clean Zone’
• Established/operated an in-house law-abiding system: ‘Compliance System’
• ‘No-Gifts’ campaign during public holidays
• Ethical management training for all executives/staff members
• Signed ethical management agreement with partners/suppliers
• CEO distributed an official letter asking for fair trade
• Ethical management training for relevant employees and representatives of
partners/suppliers
- Listen to the opinions of partners/suppliers
- Unethical practice report system on the official website’.
http://www.lignex1.com/en_US/about/overview.jsp
A22:
Does the company’s anti-corruption policy include a statement on the giving and receipt of hospitality that ensures that such transactions are bona fide and not a subterfuge for bribery?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the giving and receipt of hospitality is controlled so as to ensure that such transactions are not corrupt.

References:
Public:
TI notes:
LIG Nex1 website: About Us – Ethical Management:
‘Ethical management practice programs to turn LIC Nex1 into a fair, honest and reliable company.’
• All executives/staff members make pledges for ethical management
• Ethical management training for new employees
• CEO emphasized ethical management in his New Year’s Address/Management Principles
• In-house unethical practice report system: ‘Clean Zone’
• Established/operated an in-house law-abiding system: ‘Compliance System’
• ‘No-Gifts’ campaign during public holidays
• Ethical management training for all executives/staff members
• Signed ethical management agreement with partners/suppliers
• CEO distributed an official letter asking for fair trade
• Ethical management training for relevant employees and representatives of partners/suppliers
• Listen to the opinions of partners/suppliers
• Unethical practice report system on the official website’.

http://www.lignex1.com/en_US/about/overview.jsp
A23:
Does the company have a policy that explicitly prohibits facilitation payments?

Score:
0

Comments:
Based on public information, there is no readily available evidence of a policy that prohibits facilitation payments.

References:
Public:
NA
A24:  
Does the company prohibit political contributions, or regulate such contributions in order to prevent undue influence or other corrupt intent? Does the company record and publicly disclose all political contributions?

Score:

2

Comments:

Based on public information, there is evidence that the company recognises the corruption risk posed by political contributions. The company prohibits involvement in politics, the use of company resources for political purposes, and the expression of political views on behalf of the company.

References:

Public:
Code of Ethics (March 2007), p.7:
‘4. Prohibition of Involvement in Politics
(1) LIG NEX1 shall not involve itself in politics. However, it may express its point of view with regard to policy planning or law enactment which are related to the interests of the company.
(2) LIG NEX1 shall not provide candidates, political parties, and politicians with the organization, fund, personnel, and facilities for political purposes.
(3) LIG NEX1 shall respect individual political rights of officers and employees. Officers and employees may express political point of view as an individual who has no relation with the company, but should take care so that such individual opinion may not be mistaken to be that of the company.’
A25:
Does the company have a clear policy on engagement in lobbying activities, in order to prevent undue influence or other corrupt intent, and discloses the issues on which the company lobbies?

Score:

0

Comments:
Based on public information, there is no readily available evidence of a clear policy on engagement in lobbying activities. The Code of Ethics indicates that the company may express its views relating to policy planning or law enactment.

References:
Public:
Code of Ethics (March 2007), p.7:
‘4. Prohibition of Involvement in Politics
(1) LIG NEX1 shall not involve itself in politics. However, it may express its point of view with regard to policy planning or law enactment which are related to the interests of the company.
(2) LIG NEX1 shall not provide candidates, political parties, and politicians with the organization, fund, personnel, and facilities for political purposes.
(3) LIG NEX1 shall respect individual political rights of officers and employees. Officers and employees may express political point of view as an individual who has no relation with the company, but should take care so that such individual opinion may not be mistaken to be that of the company.’
A25(a):

Does the company prohibit charitable contributions, or regulate such contributions in order to prevent undue influence or other corrupt intent?

Score:
0

Comments:

Based on public information, there is evidence that the company engages in a number of charitable activities. TI has found no readily available evidence that the company regulates these programs, or other charitable contributions, so as to prevent undue influence or other corrupt intent. Details of contributions do not appear to be publicly declared.

References:

Public:

TI notes:
LIG Nex1 website: Public Relations – Social Contributions

LIG Nex1 website: Public Relations – Major Programs
A26:
Does the company provide written guidance to help Board members and employees understand and implement the firm’s ethics and anti-corruption agenda?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the ethics and anti-corruption agenda is fully explained to employees through the use of written guidance. The Code of Ethics refers to an Action Guide for Code of Ethics. However, this document does not appear to be publicly available.

References:

Public:
TI notes:
Code of Ethics (March 2007), p.7:
‘Clause 2 (Action Guide)
Specific decision criteria and action guide for this Code of Ethics shall be defined and managed by a separate Action Guide for Code of Ethics.’

LIG Nex1 website: About Us – Ethical Management:
‘Ethical management practice programs to turn LIC Nex1 into a fair, honest and reliable company.’
- All executives/staff members make pledges for ethical management
- Ethical management training for new employees
- CEO emphasized ethical management in his New Year’s Address/Management Principles
- In-house unethical practice report system: ‘Clean Zone’
- Established/operated an in-house law-abiding system: ‘Compliance System’
- ‘No-Gifts’ campaign during public holidays
- Ethical management training for all executives/staff members
- Signed ethical management agreement with partners/suppliers
- CEO distributed an official letter asking for fair trade
- Ethical management training for relevant employees and representatives of partners/suppliers
• Listen to the opinions of partners/suppliers
• Unethical practice report system on the official website'.

http://www.lignex1.com/en_US/about/overview.jsp
A27: Does the company have a training programme that explicitly covers anti-corruption?

Score: 1

Comments:
Based on public information, the company website states that ethical management training is provided for new employees, executives and staff members, and relevant employees and representatives of partners and suppliers. TI has found no readily available evidence that there is a specific anti-corruption training module. The company therefore scores 1.

References:
Public:
LIG Nex1 website: About Us – Ethical Management:
‘Ethical management training for new employees
Ethical management training for all executives/staff members
Ethical management training for relevant employees and representatives of partners/suppliers’.
http://www.lignex1.com/en_US/about/overview.jsp
A28: Is anti-corruption training provided in all countries where the company operates or has company sites?

Score: 1

Comments: Based on public information, ethical management training is provided for all executives and staff members. However, TI has found no further evidence that training is provided across all geographies. The company therefore scores 1.

References:

Public:
LIG Nex1 website: About Us – Ethical Management:
‘Ethical management training for new employees’
‘Ethical management training for all executives/staff members’
http://www.lignex1.com/en_US/about/overview.jsp
A29: Does the company provide targeted anti-corruption training to members of the Board?

Score: 0

Comments:

Based on public information, there is no readily available evidence that the company provides targeted anti-corruption training to members of the Board. The website states that ethical management training is provided for executives/staff members but it does not explicitly state whether training for executives is different to that provided for staff members.

References:

Public:
TI notes:
LIG Nex1 website: About Us – Ethical Management:
‘Ethical management training for new employees’
‘Ethical management training for all executives/staff members’
http://www.lignex1.com/en_US/about/overview.jsp
A30:
Does the company provide tailored ethics and anti-corruption training for employees in sensitive positions?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company provides tailored ethics and anti-corruption training for employees in sensitive positions.

References:
Public:
NA
A31:
Does the company have a clear and formal process by which employees declare conflicts of interest?

Score:
0

Comments:
Based on public information, there is no readily available evidence of a clear and formal process by which employees declare conflicts of interest. Employees are only instructed to avoid behaviour or relationships that are in conflict with company interests.

References:
Public:
TI notes:
Code of Ethics (March 2007), p.4:
‘6. Avoidance of Conflict with Company Interests
(1) ) LIG NEX1 employees avoid any individual behavior or relationships that are in conflict with company interests.
(2) ) LIG NEX1 employees do not use company property to pursue their personal interests without prior permission.’
A32:

Is the company explicit in its commitment to apply disciplinary procedures to employees, Directors and Board members found to have engaged in corrupt activities?

Score:

0

Comments:

Based on public information, there is no readily available evidence of an explicit commitment to apply disciplinary procedures to employees, Directors and Board members found to have engaged in corrupt activities.

References:

Public: NA
A33:
Does the company have multiple, well-publicised channels that are easily accessible and secure, to guarantee confidentiality or anonymity where requested by the employee (e.g. web, phone, in person), to report concerns or instances of suspected corrupt activity?

Score:

1

Comments:
Based on public information, there is evidence that employees are able to report concerns or instances of suspected corrupt using one internal whistleblowing channel, via e-mail, telephone, fax, or post. Evidence does not suggest that employees are able to report anonymously or using an independent channel. The company therefore scores 1.

References:
Public:
LIG Nex1 website: About Us – Ethical Management – Contact Us With Information

‘Report:
- The act of asking for or accepting money, gift, treats, entertainments or special benefits
- Unfair opportunities or treatment in selection of suppliers and other unfair and unethical business practices
※ Defamation or slander not based on facts shall not be examined. Please be careful in providing us with information because it may cause serious harm to the other party.

Procedures:
- The delivered information will be verified in the background third-party investigation and go through other required examination procedures before giving you with the company’s official response.(About 7~10 days)

Contact Us:
- EmailORG_20361@lignex1.com
- TEL+82-31-288-9574, 9575, 9577 FAX+82-31-8026-7100
- Address207, Mabuk-ro, Giheung-gu, Yongin-si, Gyeonggi-do, Korea

Informant Protection Principles:
- The person who provide us with information (the informant) will be protected from any
disadvantages under the company’s informant protection principles.’

LIG Nex1 website: About Us – Ethical Management:
‘In-house unethical practice report system: ‘Clean Zone’
Established/operated an in-house law-abiding system: ‘Compliance System’
‘Unethical practice report system on the official website’.
http://www.lignex1.com/en_US/about/overview.jsp
A33(a):
Are the whistleblowing channels available to all employees in all geographies?

Score:

1

Comments:
Based on public information, there is evidence that across geographies, all employees have access to internal whistleblowing channel available via internet, telephone or post. The company therefore scores 1.

References:
Public:
LIG Nex1 website: About Us – Ethical Management – Contact Us With Information
Report:
- The act of asking for or accepting money, gift, treats, entertainments or special benefits
- Unfair opportunities or treatment in selection of suppliers and other unfair and unethical business practices
※ Defamation or slander not based on facts shall not be examined. Please be careful in providing us with information because it may cause serious harm to the other party.

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Informant Protection Principles:
- The person who provide us with information (the informant) will be protected from any disadvantages under the company’s informant protection principles.’
A33(b):

Does the company have formal and comprehensive mechanisms to assure itself that whistleblowing by employees is not deterred, and that whistleblowers are treated supportively?

Score:

0

Comments:

Based on public information, the company website states that individuals who provide information will be protected from disadvantages under the company’s informant protection principles. However, TI has found no evidence of formal mechanisms, such as detailed analysis of whistleblowing data or independent employee surveys that ensure whistleblowers are supported and not deterred.

References:

Public:
TI notes:
LIG Nex1 website: About Us – Ethical Management – Contact Us With Information
‘※ Defamation or slander not based on facts shall not be examined. Please be careful in providing us with information because it may cause serious harm to the other party.

Procedures:
- The delivered information will be verified in the background third-party investigation and go through other required examination procedures before giving you with the company’s official response.(About 7~10 days)

… Informant Protection Principles:
- The person who provide us with information (the informant) will be protected from any disadvantages under the company’s informant protection principles.’
A34:

Does the company have well-publicised resources available to all employees where help and advice can be sought on corruption-related issues?

Score:

0

Comments:

Based on public information, there is no readily available evidence that employees have access to resources where help and advice can be sought on corruption-related issues. Available resources appear to be for reporting concerns only.

References:

Public:
NA
A35:
Is there a commitment to non-retaliation for bona fide reporting of corruption?

Score:

1

Comments:
Based on public information, there is evidence that the company website states that informants will be protected from any disadvantages. However, TI has not found further evidence that the company will apply disciplinary measures if someone is found to breach this protection. The company therefore scores 1.

References:
Public:
LIG Nex1 website: About Us – Ethical Management – Contact Us With Information
‘Informant Protection Principles:
- The person who provide us with information (the informant) will be protected from any disadvantages under the company’s informant protection principles.’
Information Sources:

Company website:  
[www.lignex1.com](http://www.lignex1.com)

LIG Nex1 Code of Ethics, (March 2007):  