

LG Electronics Anti-Bribery and Anti-Corruption Regulations

Chapter 1. General Provisions

Article 1 (Purpose)

LG Electronics Inc. (hereinafter referred to as the “Company”) establishes these regulations to protect the Company's corporate value by conducting business transparently and legally in all countries and regions where it operates, in compliance with the requirements of domestic and international anti-corruption laws and regulations.

Article 2 (Scope)

It applies to all employees (including regular employees, contract employees, advisors, and other workers, hereinafter referred to as “employees”) working in all domestic and international organizations, as well as to all individuals and entities in business relationships with the Company, including partners and third-party agents related to the Company's business. All such parties must understand and comply with these regulations in relation to their transactions.

Article 3 (Basic Principles and Structure of Regulations)

1. Employees of the Company must comply with the following anti-corruption laws of the Republic of Korea in the performance of their duties.

[Republic of Korea]

- Improper Solicitation and Graft Act
- Criminal Act
- Act on the Aggravated Punishment of Specific Crimes
- Act on Combating Bribery of Foreign Public Officials in International Business Transactions
- Public Service Ethics Act
- Other laws related to bribery and anti-corruption

2. Employees of the Company must comply with the following major foreign anti-corruption laws and conventions, as well as all local anti-corruption laws in the regions where the Company conducts business.

[Major Foreign Laws and Conventions]

- United States, Foreign Corrupt Practices Act (FCPA)
- United Kingdom, UK Bribery Act 2010
- OECD Anti-Bribery Convention
- UN Convention against Corruption, etc.

3. In relation to the implementation of these regulations, the Company may establish separate subordinate rules and standards to ensure compliance with these regulations, and such rules and standards must be consistent with the policies defined in these regulations.
4. These regulations shall take precedence over subordinate rules and standards, and employees must comply with the relevant requirements.

Article 4 (Definitions of Terms)

The definitions of terms used in these regulations are as follows:

1. Public Officials, etc.

This refers to public officials and their spouses and immediate family members who fall under any of the following categories:

- Employees of public organizations or public institutions established to perform public duties
Candidates for public office (candidates running for public office)
- Members of political parties performing public duties
- Persons performing duties for public international organizations or public international bodies (e.g., IMF, UN, World Bank, WTO, etc.)
- Employees of state-owned enterprises (employees of enterprises where the government exercises substantial control over overall operations)
- Official agents or consultants of the government
- Others who perform public roles and duties in an official capacity representing a specific country or region"

2. Agent

This refers to agents, consultants, and professional advisors (such as legal, labor, accounting, and tax experts) hired to promote, demonstrate, or explain the Company's products or services, to enter or support the execution of contracts, or to perform other government-related tasks.

3. Third Party

This collectively refers to all external entities or individuals who have a direct contractual relationship or vested interest with the Company, including agents, customers, joint ventures, subcontractors, contractors, and investors.

4. Money and Values

This refers to any of the following:

- Monetary payments, securities, real estate, goods, accommodation vouchers, memberships, admission tickets, discount coupons, invitations, viewing tickets, usage rights of real estate, and any other forms of property benefits
- Meals, alcoholic beverages, entertainment such as golf, and other forms of hospitality
- Provision of conveniences such as transportation, accommodation, and travel
- Waiver of debts, provision of employment, granting of privileges, and other tangible or intangible economic benefits

5. Gifts

This refers to items provided without compensation and includes all types of tangible items except for money and food.

6. Entertainment

This refers to the act of providing financial support or intangible benefits for meals, drinks, sports, and other leisure and cultural activities.

7. Facilitation Payments

This refers to illegal or unofficial payments made for services that are typically legally obtainable without such payments. It generally includes relatively small payments made to public officials or responsible parties to ensure or expedite routine actions or necessary measures, such as visa issuance, work permits, and customs clearance.

8. Improper Business Advantage

This refers to any benefit obtained by the Company through unjust means in violation of laws or social norms. The term 'benefit' includes securing or receiving favorable treatment in any of the following:

- Obtaining or maintaining contracts
- Confidential information on bids, business opportunities, or competitors' business activities
- Approval of permits or licenses
- Reduction or exemption of customs duties, taxes, or fines
- Favorable treatment in administrative or civil litigation, etc.

9. Conflict of Interest

This refers to a situation where business, financial, familial, political, or personal interests may interfere with or distort an individual's judgment in the performance of their duties for the Company.

Terms not specifically defined in these regulations shall be interpreted in accordance with the definitions provided in the relevant anti-corruption laws of each respective country.

Chapter 2. Prohibitions and Exceptions

Article 5 (General Prohibition)

Employees must never accept or solicit money or other valuables for the purpose of obtaining improper business advantages. It is also prohibited to offer, propose, or promise money or other benefits directly or through a third party to public officials or others.

Article 6 (Gifts and Entertainment)

1. Employees are strictly prohibited from providing gifts and entertainment to public officials or others beyond the limits permitted by law in the following cases:

- When provided for the purpose of obtaining improper business advantages
- When it creates or may create a conflict of interest
- Gifts and entertainment prohibited by law
- Extravagant or luxurious gifts and entertainment of significantly high value
- When provided or requested repeatedly to the same individual
- Gifts and entertainment that could be embarrassing if disclosed

2. The Company must recognize that gifts and entertainment may be considered as intended for bribery, even if neither the giver nor the receiver intended them as such.

3. **Permissible Gifts and Entertainment**

They must be of small or reasonable value within the limits allowed by local laws and customs, and not extravagant, luxurious, or unusual given the circumstances. They must be provided in a transparent and open manner, and not give rise to misunderstandings as improper compensation.

4. All gifts and entertainment provided must be documented by invoices, receipts, or other means, and accurately recorded and reflected in the accounting records.

Article 7 (Travel and Business Trips)

1. Employees are strictly prohibited from providing the following types of travel and business trips to public officials or others for the purpose of obtaining improper business advantages:

- Providing travel expenses in cash
- Providing per diem related to travel
- Providing travel or travel expenses unrelated to the business trip purpose
- Providing extravagant or luxurious travel

2. **Permissible Travel and Business Trips**

- The provision of travel and business trips must be legal and directly related to legitimate business purposes, such as contract negotiation or execution, and necessary for the performance of duties.
- Travel expenses, such as transportation, accommodation, meals, and communication costs, must be paid directly to the service provider (e.g., hotel, travel agency).

3. All travel expenses provided must be documented by invoices, receipts, or other means, and accurately recorded and reflected in the accounting records.

Article 8 (Facilitation Payments)

Facilitation payments are fees paid to public officials to expedite the performance of routine governmental actions that are non-discretionary. In most countries, these payments are considered bribes. Therefore, the Company strictly prohibits the payment of facilitation fees.

Article 9 (Donations)

1. Lawful donations, sponsorships, and contributions to charitable organizations made in good faith are permitted. However, donations provided to public officials or others for the purpose of obtaining improper business advantages or that could be considered bribes are strictly prohibited.
2. The use of the Company's assets for illegal "political donations" is strictly prohibited.
3. All documents related to the provision of donations must be accurately recorded and reflected in the accounting records.

Article 10 (Conflicts of Interest, etc.)

1. 'Conflict of interest' refers to situations where an employee prioritizes personal interests over the Company's interests during their duties, and such personal interests unduly influence or may unduly influence the employee's business judgment, decision-making, etc.

This includes the following:

- The employee holds a significant stake in a business partner.
 - The employee serves as a director or key executive of a business partner or has a familial relationship with a key executive.
 - Any other situation where the employee's personal interests are related and may cause direct or indirect disadvantages or other undue influences on the Company.
2. Employees must strive to avoid conflicts of interest, and if a conflict of interest is unavoidable, they should be excluded from the related duties in principle and must report to the HR department or the compliance office and follow the Company's decision.
 3. If an employee has a familial, academic, or other special relationship with public officials or public agents responsible for permits, investigations, etc., which may affect fair performance of duties or raise doubts about fairness, the same procedure as in paragraph 2 shall apply.

Chapter 3. Training and Monitoring

Article 11 (Training)

1. The Company must provide employees with sufficient and appropriate anti-corruption awareness and training, which may cover the following:
 - The Company's policies, procedures, and relevant laws regarding bribery and anti-corruption
 - The corruption risks faced by the Company and employees, and the damages caused by corruption
 - Situations where corruption may occur in relation to work and how to recognize such situations
 - How to recognize and respond to solicitations or offers of bribes
 - Methods and channels for reporting any concerns
2. Employees must diligently attend the anti-corruption training regularly conducted by the Company. The anti-corruption training shall be conducted through methods such as in-person or online training according to the Company's policies and may be adjusted to fit the roles of the training participants.
3. Employees must strictly comply with the anti-corruption laws and the provisions of this regulation. If there are any questions regarding the anti-corruption laws or this regulation, they must consult the compliance office.
4. The procedures and content of the training, as well as the training participants, must be documented and retained as written information.

Article 12 (Investigation and Monitoring)

The Company must implement the following procedures to ensure that investigations and monitoring can be conducted regarding the following:

1. The Company must investigate all reported, detected, or reasonably suspected cases of corruption, or violations of anti-corruption regulations.
2. The Company may monitor or investigate, on a regular or irregular basis, whether its employees are complying with these regulations, and employees must actively cooperate with such monitoring and investigations.

Chapter 4. Reporting and Handling of Violations

Article 13 (Reporting of Violations)

1. If an employee of the Company becomes aware of any actual or suspected violations of anti-corruption laws or this regulation, they must immediately report it to their department head or through the designated whistleblowing channel according to the established procedures.
2. If a department head receives a report from a subordinate, they must promptly notify the Company of the details.
3. The Company and its employees must strictly ensure the confidentiality of all reports and the identity of the whistleblower, and no disadvantage should be given to the whistleblower as a result of the report.

Article 14 (Measures for Violations)

The Company must implement the following procedures to ensure that investigations and monitoring can be carried out for the following:

1. The Company must investigate all reported, detected, or reasonably suspected cases of corruption, or violations of anti-corruption regulations.
2. The Company may regularly or irregularly monitor or investigate whether its employees are complying with these regulations, and the employees must actively cooperate with such monitoring and investigations.

Supplementary Provisions

Article 1 (Implementation)

- This regulation was established and enforced as of November 1, 2021.
- This regulation was revised and enforced as of June 26, 2024.

Article 2 (Interpretation)

In cases where this regulation does not provide specific guidance or where the content is unclear, making it difficult to determine whether a violation has occurred, the interpretation of HQ Compliance Office shall prevail.