

CONFIDENTIAL

Guiding Principles for Fighting Corruption

For LG Chem Business Partners

Compliance Team 2023



Anti-Corruption Guidance

1. Objectives of Guidance

LG Chem and its subsidiaries (hereinafter referred to as “LG Chem”) practice Jeong-do management based on fairness, honesty, and sincerity. All the business activities, whether domestic or international, that are carried out by LG Chem are in compliance with all applicable laws and regulations and with respect for business practices. In particular, LG Chem makes efforts to comply with all anti-corruption related laws and regulations applicable to corporate activities.

Accordingly, LG Chem would like to request the same level of compliance with anti-corruption related laws so that its business partners, the company or individuals conducting business with LG Chem (hereinafter “LG Chem Business Partners,” “Business Partners” or “you”), can build a cooperative relationship based on honesty and mutual respect.

Based on LG Chem’s Anti-corruption Policy and its Code of Conduct, this material is designed to help prevent corruption (including dos and don’ts) in various situations related to your business relationship with LG Chem and fulfilling contracts.

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2. Compliance with Anti-Corruption Related Laws and Regulations

LG Chem requires you to comply with all applicable anti-corruption laws and regulations in regard to our business relationship.

Specifically, we require that you comply with all applicable domestic and foreign anti-corruption related laws and regulations including but not limited to the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, the Korean Criminal Act, Improper Solicitation and Graft Act, Act on Combating Bribery of Foreign Public Officials in International Business Transactions, and other applicable local anti-corruption related laws and regulations (hereinafter referred to as “Anti-Corruption Related Laws and Regulations”). Also, we require you not to act in a way that directly or indirectly violate (including the act that may be suspected of being in violation) such laws and regulations.

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3. Liability for Violation

Your failure to comply with the Anti-Corruption Related Laws and Regulations may result in the following serious consequences:

You or your employees who violated Anti-Corruption Related Laws and Regulations may face criminal, civil, and other applicable legal and regulatory penalties such as fines or imprisonment.

Furthermore, if you violate any Anti-Corruption Related Laws and Regulations in relation to the contract between you and LG Chem, we may immediately terminate any and all contracts with you, and you will be liable for all damages arising from the breach of the contract.

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4. Prohibition of Improper Solicitation and Graft

LG Chem requires LG Chem Business Partners to exercise particular care when interacting with public officials, etc. (in accordance with the definition of “public officials, etc.” under the Improper Solicitation and Graft Act) or foreign public officials (in accordance with the definition of “foreign public officials” under the U.S. Foreign Corrupt Practices Act) on our behalf. More specifically, we ask LG Chem Business Partners that improper solicitation be prohibited. You are prohibited to make improper solicitations, directly or through a third party, to any public officials, etc. or foreign public officials on LG Chem’s behalf. Such improper solicitation is prohibited even if no money or valuables have not been provided.

We also ask that LG Chem Business Partners to prohibit graft. It is strictly prohibited to provide, promise, or offer bribes to public officials, etc. or foreign public officials, nor is it prohibited to permit a third party to bribe public officials etc. or foreign public officials on behalf of LG Chem. Moreover, money and valuables shall not be provided directly or indirectly to public officials, etc. and their families, and any acts that may cause such suspicions are prohibited.

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5. Gifts, Hospitality and Other Benefits

Providing gifts, hospitality or other benefits on LG Chem's behalf, including but not limited to gifts, food, lodging, travel expenses, receptions, tickets to entertainment, social and sports events, employment offers, honoraria for lectures, wedding gifts, condolence flowers, etc. is prohibited.

However, such gifts or hospitality may be provided limitedly to the extent permitted by all applicable Anti-Corruption Laws and Regulations and legally permissible local customs.

6. Facilitating Payments

LG Chem Business Partners are prohibited from paying any facilitating payments to domestic and foreign public officials on behalf of LG Chem. Facilitating payments are explicitly prohibited in most countries. "Facilitating Payment" is providing money or valuables for the purpose of speeding up or facilitating the routine and repetitive administrative actions of public officials, etc. and foreign public officials, such as filing and processing visa issuance; customs clearance related to product transportation; loading and unloading, and the supply of electricity, gas, and water, etc.

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7. Accounting Records

LG Chem Business Partners must not, for any reason, misrepresent your company's accounting records. LG Chem requires you to accurately record and maintain records of expenses and expenses related to all transactions. Omitting records of transactions, such as the use of expenses, or manipulating the details thereof, can be a violation of Anti-Corruption Related Laws and Regulations; in particular, under the U.S. Foreign Corrupt Practices Act, even false records or insufficient control over accounting records constitute a violation of the applicable law.

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8. Warning Signals of Corruption

We ask you to pay attention to corruption red flags, such as the following examples, in all work you do in relation to contracts entered into with LG Chem:

- Your company's counterparty was selected at the request or recommendation of public officials or etc.
- Your company's counterparty seems to have close ties with public officials, etc.
- You intend to pay (or offer) your counterparties a price that is significantly higher (or lower) than the market price or industry practice for products or services.
- Your counterparties companies that are in name only and have no assets or business activities.
- Your counterparties requested irregular payment methods, such as payment to the bank of a country other than the one in which you are based, payment to someone else or under a different name than the business actually performed, etc. .
- Your counterparty has proposed to provide non-disclosed data whose source is unknown or unclear securing routes.

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9. Reporting and Inquiry

If you become aware of, or suspect any violation of Anti-Corruption Related Laws and Regulations (including but not limited to business partners, agents, consultants, and subcontractors) of your business relationship or fulfilling contracts with LG Chem, please report to or inquire with LG Chem Compliance Team (compliance@lgchem.com) or the Ethics Hotline (<https://ethics.lg.co.kr/main/en.do>).

10. Zero Tolerance of Corruption

LG Chem has a zero tolerance approach when it comes to corruption and bribery. We do not allow any corruption or bribery of any kind. We demand the eradication of corruption on the premise that we can form or maintain a cooperative relationship on reasonable terms in doing business with our counterparties. We sincerely ask LG Chem Business Partners to be fully aware of this and actively practice the anti-corruption principle with LG Chem and make sure to comply with Anti-Corruption Related Laws and Regulations.



*We*ConnectScience

 **LG Chem**

07336 LG Twin Tower, 128 Yeoui-daero, Yeongdeungpo-gu, Seoul
Tel. +82-2-3773-1114 / www.lgchem.com

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