

Prohibition and Prevention of Corruption Regulation

Responsible Department: Compliance Team

Enacted 12. 13, 2021

I. Purpose

The purpose of this Regulation is to establish a transparent and fair corporate culture by establishing a code of conduct and standard of judgment for all officers and employees of LG Chem Ltd. (hereinafter, the “Company”) to perform their respective duties faithfully and obtain trust from customers based on thorough professional ethics in accordance with the anti-corruption laws.

II. Definitions

The definitions of the terms used in this Regulation are as follows:

- ① A “public official, etc.” refers to a public official or public service worker who falls under any of the following:
 1. Those who are recognized as public officials in terms of their qualifications, appointment, training, service, remuneration, status guarantee, etc. under the laws: Individuals performing public duties as part of a government agency, including the elected or appointed officers and employees of any central or local governmental body (regardless of job grades), legislative and judicial bodies members including members of the National Assembly, and the subordinate staff of administrative bodies, including clerical workers;
 2. The heads of public institutions established in accordance with the Act on the Management of Public Institutions and public service-related organizations established in accordance with the Public Service Ethics Act, and their officers and employees;
 3. Heads and faculty members of each level of school (regardless of national, public or private), and officers and employees of educational foundations;
 4. Representatives, officers, and employees of the press organizations
- ② A “foreign public official” is a person who falls under any of the following:
 1. Persons engaged in the legislative, administrative or judicial affairs of a foreign government;
 2. Workers of public organizations or institutions established under the foreign law for the performance of public duties;
 3. Any officer or employee of an enterprise of which a foreign government has invested more than half of the enterprise’s paid-in capital or has practical control over its overall operations;
 4. Persons carrying out the work of an official international organization;
 5. Persons deemed public officials by other local anti-corruption laws.
- ③ “Money or valuables” refers to any of the following:
 1. All pecuniary benefits, including money, securities, real estate, goods, lodging tickets, memberships, entrance tickets, discount coupons, invitation tickets, admission tickets, rights to use real estate, etc.;
 2. Provision of entertainment such as food, alcohol, and golf, or convenience such as transportation and lodging;
 3. Other tangible or intangible economic benefits, such as debt relief, provision of employment,

donations, sponsorship, or the granting of rights/privileges.

- ④ “Improper solicitation” refers to any act of requesting public officials, etc. or foreign public officials to violate laws, abuse their authority, or act in a manner contrary to normal business practices.
- ⑤ “Anti-graft Law” refers to the “Improper Solicitation and Graft Act.”

III. Scope

This Regulation shall apply to all officers and employees of the Company (regardless of the form of employment contract or the duties performed; hereinafter, “Officers and/or Employees”).

IV. Compliance with Domestic and Foreign Anti-Corruption Laws

- ① In the performance of their duties, Officers and Employees shall comply with the applicable domestic and foreign anti-corruption laws and regulations including Anti-graft Law, and shall not instruct or request subordinates or co-workers to carry out their duties in violation of the above laws and regulations. Even when an act is performed in accordance with social or business practices, immunity shall not be granted in the case of a violation of law.
- ② Officers and Employees may be requested to sign a pledge confirming their understanding of, and compliance with, this Regulation and the domestic and foreign anti-corruption laws and regulations.

V. Prohibition of Improper Solicitation

- ① No Officer or Employee shall engage in any improper solicitation of public officials, etc. or foreign public officials directly or through a third party. Improper solicitation of public officials, etc. or foreign public officials is prohibited even if money or valuables are not provided.
- ② Even if an act does not constitute an improper solicitation, such act is prohibited if it is an act that may raise suspicion regarding its public nature in relation to the public official, etc. or foreign public officer who is the counterparty.
- ③ Officers and Employees shall, in the course of performing their duties, confirm in advance whether the act falls under improper solicitation or any act that may raise suspicion regarding its public nature, and if necessary, may request legal advice from the legal department of the Company (hereinafter, the “Legal Department”).

VI. Prohibition of the Provision of Money or Valuables

In principle, Officers and Employees shall not provide, promise, or offer any money or valuables to public officials, etc. or their spouses, or foreign public officials regardless of whether such acts are related to their duties and regardless of title, such as a donation, sponsorship or giving; provided, however, that if specifically and expressly permitted by domestic/foreign anti-corruption laws, money or valuables may be provided only if all the prescribed approval requirements are met, and if necessary, legal advice may be requested from the Legal Department.

VII. Compliance with Third Party Anti-Corruption Laws, etc.

- ① Officers and Employees who intend to execute an agreement with a third party or perform other works, regardless of title, such as partner, consultation, or agent (hereinafter referred to in this Article as “Officers and Employees in Charge”), shall not, in cases where they know that some or all of what is provided by the Company to third parties are or will be offered, or are likely to be offered, in whole or in part, to public officials, etc. or foreign public officials as bribes, execute such agreement or perform such work with such third party.
- ② Officers and Employees in Charge shall conduct preliminary due diligence on third parties and notify the compliance team of the Company (hereinafter, the “Compliance Team”) of the results; provided, however, that due diligence procedures may be omitted if there are reasonable grounds in consideration of the overall circumstances such as the relationship with the third party, the contents of the agreement to be concluded, and market conditions.
- ③ Officers and Employees in Charge shall reflect the necessary matters in the agreement so that the third party complies with the domestic and foreign anti-corruption laws and regulations, and shall make best efforts to specify in the agreement the rights to conduct an investigation, terminate the agreement, and claim damages in the event of a violation of domestic/foreign anti-corruption laws, and shall notify the Compliance Team the results of such agreement; provided, however, that in cases where there are reasonable grounds in consideration of the overall circumstances such as the nature of the transaction, the process of negotiation, etc., such terms do not need to be specified.
- ④ Officers and Employees shall, in the event any of the following risk signs are discovered or there are concerns regarding the violation of domestic and foreign anti-corruption laws with respect to a third party engaged in the Company’s work, notify the Compliance Team thereof without delay.
 1. If the third party is selected at the request or recommendation of a public official, etc. or a foreign public official;
 2. If the third party is known to have a close relationship with the public official, etc. or foreign public official, or has revealed or suggested such close relationship;
 3. If the third party is paid a price that is excessively high compared to market prices, industry practices, or its internal standards, or is provided products or services at a price that is excessively low;
 4. If the third party includes a company with no assets or business activities;
 5. If the third party requests a non-ordinary payment method, such as requesting payment to be made to a bank in a country different from the country in which it is based, requesting payment to another entity, requesting payment under a name that is different from the work actually performed, etc.;
 6. If the third party offers to provide non-public data from unknown sources or for which it is unclear how such data was obtained;
 7. If the third party appears to lack the qualifications (authorization, etc.), experience, or resources (equipment, manpower, etc.) to perform the contractual duties;
 8. Other cases that suggest the potential violation of laws by the counterparty (including negative reputation).

- ⑤ Upon receipt of a notice under Paragraphs 2 through 4, the Compliance Team shall, based on the details of the notice, review the risk of violation of the relevant anti-corruption laws by the third party, and if it determines that there is a risk, report the risk to the Compliance Officer of the Company (hereinafter, the “Compliance Officer”).
- ⑥ The Compliance Officer who has received the report may, if deemed necessary, request additional due diligence on the third party, separate anti-corruption measures, etc. from the officer/employee in charge, and may submit an opinion to the department in charge or the management in connection with the execution of the agreement with the third party.

VIII. Risk Assessment

- ① The Compliance Team shall regularly inspect whether Officers and Employees and third parties are compliant with this Regulation and the domestic and foreign anti-corruption laws and regulations, and notify the Compliance Officer of the results.
- ② If the Compliance Team requests cooperation for the investigation and inspection work above, the relevant departments and Officers and Employees shall each respond promptly and faithfully.

IX. Training

- ① The Company shall provide regular anti-corruption training to its Officers and Employees so that they are able to understand the details of the anti-corruption laws and this Regulation.
- ② The Company may conduct anti-corruption training at any time if necessary, including cases where there are important events relating to the prevention of corruption, or any significant changes relating to the relevant work.
- ③ The Company shall record the status of the training in Paragraphs 1 and 2 (date, participants, etc.) and shall keep such records for 5 years.

X. Reporting

- ① If any officer or employee becomes aware of any violation or attempted violation of this Regulation, they shall immediately report such fact to the Compliance Team.
- ② Upon making a report under Paragraph 1, Officers and Employees may use report lines such as direct visits, phone calls, or emails (compliance@lgchem.com).
- ③ Upon receipt of a report under Paragraph 1, the Compliance Team shall examine the relevant content and determine whether there has been a violation of this Regulation, and if it is determined that the relevant content violates this Regulation, it shall report it to the Compliance Officer.
- ④ Upon receipt of a report, the Compliance Officer shall, if deemed necessary, report to the Responsible Officer or the Chief Executive Officer of the Company of any violation of this

Regulation and, if necessary, may take disciplinary action against the officer or employee concerned, and take other appropriate measures.

XI. Discipline and Accountability

- ① The Company may take appropriate disciplinary action in accordance with the Compliance Officer's disciplinary request and the Disciplinary Regulations in the event an officer or employee violates this Regulation or fails to take reasonable measures to prevent a violation.
- ② If any Officer or Employee orders their subordinates to perform any act in violation of this Regulation or fails to report a violation by their subordinates to the Company immediately after they become aware of such violation, such Officer or Employee may be subject to disciplinary action.

XII. Detailed Matters

The Company may establish detailed matters necessary for the operation of this Regulation.

Addendum

This Regulation shall come into effect on 12. 13, 2021.