

LG Electronics (LGE) is committed to upholding the rights and dignity of all stakeholders, including employees, suppliers, residents, and consumers. We believe that every individual deserves respect and the opportunity to pursue happiness. In line with this commitment, LGE acknowledges and adheres to international human rights standards, such as the Universal Declaration of Human Rights, the ILO Fundamental Conventions, the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises, and the UN Convention on the Rights of the Child. Additionally, we comply with the laws and regulations of the countries and regions in which we operate.

In situations where local laws and international standards conflict, LGE applies a more stringent standard that prioritizes the well-being of workers. We passionately believe that upholding human rights and dignity is a fundamental requirement for the sustainability management of our business.

LGE has implemented a comprehensive set of company-wide policies and consistently monitors compliance to ensure that all stakeholders within our supply chains, including our employees and employees of suppliers, actively support and fully adhere to fundamental human rights. Additionally, LGE mandates that all customers, services, distributors, logistics, local communities, and partners within our value chains, including new businesses, uphold human rights and refrain from causing any negative impact on their sustainment.

As a member of the Responsible Business Alliance (RBA), a global industry coalition dedicated to responsible business conduct, LGE upholds the RBA code of conduct and diligently monitors compliance with this code to ensure its effective implementation. Furthermore, as a participant in the UN Global Compact, the largest sustainability worldwide management initiative, LGE fully embraces and respects The Ten Principles, including the crucial domain of human rights, and strives to reflect them throughout our management activities.

LGE is committed to upholding the Global Human Rights Principles in all aspects of our management activities. This commitment aligns with our management philosophy of "Customer-value creation" and "People-oriented management," which prioritize the protection and respect of human rights for all stakeholders. Recognizing our responsibility in this regard, LGE is dedicated to proactively preventing human rights violations by stakeholders resulting from our management activities. Moreover, we are committed to promptly addressing any existing impacts and taking necessary measures to prevent their recurrence.

Major Human Rights Impact Areas

To proactively identify issues that may violate human rights in business processes and to minimize negative human rights impacts, LGE regularly conducts human rights impact assessments in accordance with the due diligence procedures outlined in the UN Guiding Principles on Business and Human Rights (UNGPs). The major human rights impact areas are selected by evaluating human rights-related issues through various channels, including internal and external inspections, on-site audits, anonymous reports, and labor-management councils.

▪ Non-Discrimination/Non-Harassment/Humane Treatment

LGE treats each employee with respect and places a high value on individual human dignity. The company shall take active steps to prevent physical and/or emotional mistreatment of employees. This commitment serves as a fundamental requirement for realizing our management ideology of "People-oriented management." Any instances of harsh and inhumane treatment, including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, verbal abuse, bullying, or public shaming, will be met with strict disciplinary actions.

Furthermore, LGE ensures that all stakeholders are treated fairly and without discrimination or disadvantage based on natural characteristics or beliefs that are unrelated to their abilities or job functions. LGE shall not offer nor authorize discriminatory hiring and employment practices when it comes to wages, promotions, and rewards based on gender, race, skin color, age, sexual orientation, gender identity, ethnic or national origin, disability, pregnancy, marital status, religion, political affiliation, labor union activity, social status, and HIV/AIDS medical history. Also, LGE shall provide employees with reasonable accommodation for religious practices and disability upon request.

▪ Prohibition of Forced Labor

LGE prohibits any form of labor which goes against the principles of free will and basic human rights. We fully comply with the relevant ILO conventions and the Responsible Business Alliance (RBA) Code of Conduct. Forced labor is a universally condemned practice that is recognized as a significant issue by most countries worldwide, and numerous countries have implemented stringent sanctions specifically targeting products that are associated with forced labor.

Recognizing the vulnerability of sub-supply chains and foreign migrant workers in developing countries, LGE has implemented robust measures to enhance supply chain monitoring. This includes strengthening on-site inspections to prevent practices such as undocumented employment contracts, non-distribution of a copy of employment contract, recruitment fees, and fines imposed upon workers who wish to leave. In the event of any violations, we take immediate enforcement actions, including the full reimbursement of fees paid. We also have regulations in place that allow for the suspension of business transactions depending on the severity of the violation.

▪ Prohibition of Child Labor

LGE shall abide by local labor regulations with respect to minimum age employment laws and will strictly verify the identity and age of all workers at the point of hire. Child labor is a severe violation of human rights, as it deprives children of essential educational opportunities. LGE maintains a zero-tolerance policy towards any form of child labor that is prohibited by law.

To ensure compliance, we employ various methods to verify the official age of workers during the hiring process. If any individuals are found to be underage, they are immediately excluded from employment. In such cases, we take humanitarian measures to ensure that their income is appropriately maintained while they receive compulsory education.

LGE prohibits employees under the age of eighteen from performing tasks that could jeopardize their health or safety, including night shifts and overtime and we closely monitor their working conditions. Employment of trainee and student workers is intended for learning purposes rather than addressing labor shortages. Therefore, LGE shall provide appropriate support and training programs to help personnel achieve their learning objectives and to continuously check compliance with applicable laws and regulations.

▪ Working Hours

LGE is committed to complying with the local and regional labor laws with respect to working hours, including regular and overtime hours, as well as holidays. Full compliance with these standards is crucial as it allows workers to maintain a healthy work-life balance, recover from fatigue, and safeguard their overall well-being. Simultaneously, companies can mitigate excessive costs and low productivity while protecting the health and safety of their workforce.

For nations without legal restrictions on working hours, LGE shall comply with RBA standards which stipulate that work weeks should not exceed 60 hours. Employees shall be allowed at least one day off every seven days. Overtime work is strictly voluntary and should only be implemented with the full concurrence of involved employees.

▪ Wages and Benefits

Wages shall be paid for hours worked at a rate exceeding the statutory minimum wage, and workers are entitled to receive a comprehensive wage statement detailing any deductions. Compensation for overtime and night work shall exceed the standard hourly rates. Wages serve as both a fair remuneration for workers' labor and a means for employees to meet their basic needs. It is essential to provide employees with an appropriate level of compensation to ensure stability in their lives and enhance their motivation to work.

To prevent discriminatory treatment, we offer equal pay for equal work and qualifications. It is prohibited to make deductions from wages as a form of disciplinary action, except for deductions related to tardiness or hours not worked. To promote transparency and fairness, wage statements must include comprehensive information such as total work hours and specific deductions. Furthermore, LGE is committed to providing all workers with social insurance benefits and other legally mandated benefits required by local laws.

▪ Freedom of Association and Collective Bargaining

LGE guarantees the right of employees to form and join trade unions, to bargain collectively and to engage in peaceful assembly as governed by local laws and shall not allow any employee to suffer repercussions due to involvement with a union or supporting the establishment of one. We recognize that freedom of association is essential for workers to secure and protect their working conditions and benefits. Equally important is the right of workers to choose not to participate in such organizations, and we respect this right as well.

To foster a positive working environment and promote continuous improvement, open and direct communication between workers and management is crucial. In situations where local laws and regulations impose a limitation on the right of freedom of association and collective bargaining, the company should allow the establishment of worker representative bodies within the parameters set by law.

▪ Diversity and Inclusion

LGE recognizes that fostering an organizational culture that values and respects the diverse experiences and backgrounds of individuals leads to flexible thinking, insightful perspectives, and the ability to highlight the unique talents of employees. We are committed to respecting the uniqueness of all stakeholders, including but not limited to age, ethnicity, gender, gender identity, language differences, race, nationality, country of origin, family background, physical or mental abilities, and skin color. LGE also supports a wide range of personal choices and preferences, such as marital status, pregnancy status, religion or belief, sexual

orientation, social or economic class, educational background, political orientation, participation in union activities, and military service. Discrimination on any of these grounds is prohibited.

By fostering a culture that embraces and learns from diversity, LGE believes that we can drive sustainable growth and contribute to creating a "Better life for all" in collaboration with stakeholders.

▪ Occupational Safety & Health

LGE places great emphasis on its top management priorities for the safety and health of its employees, partners, and all stakeholders. We recognize that safety and health are integral values in all our business operations and strive to establish measures to prevent the recurrence of accidents and engage in proactive disaster prevention activities while acquiring/providing sufficient human resources and budgets to achieve zero accidents.

LGE and all our members strictly adhere to health and safety related laws, regulations, and procedures. The Occupational Safety and Health Committee, which includes representatives from both labor and management, deliberates and decides on safety and health agendas. Transparency is key to providing necessary safety and health information to executives, employees, suppliers, and all stakeholders. We actively identify and mitigate harmful risk factors based on priority, encouraging all members to actively participate in accident prevention and the establishment of a safety culture.

Furthermore, we regularly evaluate our safety and health system, and address any identified issues to continuously enhance the system. We also establish action plans to minimize damage in the event of disasters such as accidents and diseases and conduct training to improve preparedness and response capabilities. LGE recognizes the importance of providing a safe environment where employees can freely raise safety and health concerns without fear of retaliation and remove themselves from hazardous situations until matters have been resolved.

▪ Environment

LGE places high priority on environmental protection as a core value in its commitment to respecting human rights. We strive to minimize our impact on the environment and achieve sustainable development in all our management activities.

In line with this commitment, LGE actively contributes to the protection of human rights within the community and among stakeholders. We set and diligently work towards various targets aimed at reducing environmental impacts. This includes efforts to minimize energy consumption and waste generation during the production stage, as well as during the development of eco-friendly products and the expansion of electronic waste recycling programs. We also extend our support to suppliers and contractors in establishing and improving their environmental management systems to enhance their environmental performance and minimize the overall environmental impact across our supply chain.

LGE has set a goal to achieve carbon neutrality by 2030 based on the 1.5-degree scenario, as verified by the Science-based Targets initiative (SBTi). Additionally, we have declared and implemented our commitment to join the RE100 initiative, with the aim of utilizing 100% renewable energy by 2050. To achieve these goals, we are actively working to minimize greenhouse gas emissions through measures such as optimizing energy efficiency, investing in carbon-reducing technologies, and expanding the utilization of renewable energy sources.

▪ Responsible Management of Minerals and Raw Materials (Responsible Sourcing)

LGE prohibits the use of raw materials and minerals acquired from illegal or unethical sources to prevent human rights violations that may occur in the process of mining minerals in sub-supply chains.

Suppliers shall establish a management system for tantalum, tin, tungsten, gold (conflict minerals), and cobalt in the raw materials, parts, and products they supply to LGE in accordance with the Organization for Economic Co-operation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Suppliers are obligated to conduct due diligence on the origin and supply chain of 3TG minerals and cobalt present in the raw materials, parts, and products they supply to LGE. These materials and substances must originate from smelters and refiners certified by Responsible Minerals Assurance Process (RMAP) or other certification programs that meet the standards of the RMAP.

▪ Personal Information Protection

LGE recognizes the importance of protecting the personal information of stakeholders and consumers throughout all supply chains, including employees and employees of suppliers.

We have implemented strict privacy policies that govern the processing of personal information for business purposes, as well as the collection and utilization of personal information through our website, products, and services. These policies prioritize the rights and choices of all stakeholders and consumers.

LGE fully complies with the regulations and laws of each country and incorporates them into its personal information protection policy. We manage the personal information of stakeholders and consumers securely and transparently based on these regulations and policies. We only share information to the extent necessary and ensure that users have the right to access, modify, and delete their information at any time. Users also have the right to challenge the processing of their personal information in accordance with applicable laws.

To systematically ensure the stability and transparency of our personal information protection system, we have obtained and managed ISO 27701 certification for personal information protection.

▪ Product Accessibility

LGE is dedicated to enhancing accessibility to ensure that everyone, including individuals with disabilities, the elderly, and children, can conveniently use our products and services. Guided by the motto of "Design for All," we strive to create inclusive experiences that do not exclude anyone by providing various accessibility features such as braille stickers, voice recognition functions, and 'Comfort Kit'. We are also committed to offering a range of customized services to further enhance accessibility, such as sign language consulting services and accessible kiosks.

▪ AI (Artificial Intelligence) Ethics

To proactively address the growing concerns over AI ethics issues and promote the development and utilization of ethical AI, LGE has actively contributed to the establishment of 'LG AI Ethics Principles' by participating in the LG AI Ethics Committee and Working Group.

The AI ethics principle serves as a guiding framework for all LG members involved in the development and utilization of AI technologies. It outlines a set of principles that describes responsible actions and value judgment, ensuring the reliability of AI systems and preventing ethical issues from arising. The LG AI ethics principle is built upon five core values: humanity, fairness, safety, responsibility, and transparency.

▪ Supplier Responsibility

Through our decade of experience in conducting due diligence on human rights, LGE realizes that negative human rights impacts are mostly found in sub-supply chains. In response, LGE is actively engaging with 1st tier suppliers to ensure responsible sub-supply chain management and a gradual expansion in the scope of self-inspections to 2nd tier suppliers. Focus is placed on addressing critical issues such as forced labor, child labor, working hours, wages & benefits, and health & safety. LGE provides support to its suppliers in these areas, including training on the LG Supplier Code of Conduct to enhance awareness and compliance.

Human Rights Due Diligence

LGE has established and is actively implementing policies to uphold its commitment to respecting human rights across various stakeholders. These policies are established by referencing relevant international and industrial human rights standards. LGE regularly monitors the implementation of these policies through awareness-raising activities such as education programs. Additionally, LGE regularly updates the policies to reflect the latest international human rights standards and stakeholder expectations and ensures that all current human rights policies are transparently disclosed to the public.

Since 2010, LGE has conducted annual human rights due diligence according to the Responsible Business Alliance (RBA) code of conduct. The target of due diligence includes all Korean and overseas production sites and suppliers. We identify and mitigate potential human rights risks through self-assessment and on-site inspections every year. In the areas of safety and environment, we conduct more specialized on-site inspections at production sites, including annual fire safety inspections for suppliers. LGE also began to assess greenhouse gas emissions for major suppliers in 2022. For conflict minerals, we conduct annual preliminary examinations and evaluations for the four major minerals (tin, tantalum, tungsten, and gold) and cobalt smelters, excluding those with issues from the supply chain.

LGE is committed to preventing human rights violation risks identified through due diligence and implementing corrective measures to prevent recurrence. If repeated or serious negative impacts are anticipated, we strive to address the issues through an internal human rights consultation committee, and the establishment of company-wide improvement goals to track and manage their effectiveness. Major findings and improvements from human rights due diligence are transparently disclosed in the Sustainability Report.

Remedy

LGE is committed to conducting thorough human rights due diligence in its management activities to avoid involvement in any negative human rights impacts or violations. In the case where LGE is solely responsible for or contributes to human rights violations, we will do our best to promptly investigate the issue, collaborate with stakeholders to provide effective remedies, and analyze and address the root cause to prevent recurrence. If a supplier engages in a human rights violation, LGE requests that company to provide remedies and offers appropriate support based on the situation. The goal of these remedies is to restore the situation or to compensate for any damage incurred.

Remedy procedures should include both proactive measures and responses to negative human rights impacts. To this end, LGE offers various channels for affected individuals to raise and solve their grievances through an effective Grievance Mechanism. We offer a website as a grievance reporting channel (<https://ethics.lg.co.kr>), which is operated by LG Group, allowing all internal and external stakeholders—including employees, suppliers, and customers—to freely report and consult human rights-related grievances. All information received from reports is kept confidential unless consent for disclosure is given by the person who made the report. For any disadvantages resulting from non-compliance with confidentiality, LGE will do its best to appropriately restore damages or fulfill its responsibilities. Report processing is managed by a limited number of individuals who have pledged confidentiality.

To combat corrupt practices, LGE operates a reward system for reporting corrupt behavior and enforces regulations to protect informants. Additionally, we have established and are operating grievance procedures tailored to each country's specific situation to protect our stakeholders' human rights. Guidance on grievance procedures and channels is provided through regular training sessions. In addition, LGE expects our suppliers to establish their own grievance handling system and for this system to be expanded to their suppliers. LGE prohibits any form of retaliation against internal and external stakeholders and respects their right to participate in judicial or non-judicial remedy procedures.

Engagement with stakeholders

At LGE we acknowledge our responsibility to respect human rights and have established comprehensive policies and procedures to uphold these principles. By transparently sharing our activities and achievements through various communication channels, such as the Sustainability Report and our website, we are committed to demonstrating our responsible management of human rights impacts.

In our efforts to identify and address negative human rights impacts, we collaborate with our stakeholders to identify root causes and develop effective solutions. Due to the complex business and management environment, negative impacts can occur despite our best efforts. Therefore, we actively engage with a diverse range of stakeholders including employees, partner companies, local communities, customers, the government, and investors to promote human rights.

To fulfill our commitment to human rights, LGE will carefully listen to the viewpoints of its stakeholders while transparently disclosing information on its human rights protection activities.

Human Rights Governance

To continuously promote and implement effective human rights management, we must achieve improvements at the governance level. LGE has established a strong governance system to ensure that its responsibility for respecting human rights can be conducted in our company's management activities.

The Board of Directors (BOD), LGE's highest decision-making body, oversees sustainability management activities. The BOD sets mid-to-long-term goals on major sustainability issues such as human rights and labor rights, health and safety, and climate change and evaluates performance through the ESG Committee, a subcommittee of the BOD. The ESG Committee, which is convened semiannually, consists of four External Directors and one Internal Director (the CEO), with an External Director serving as Chairman to enhance independence.

The ESG Council, organized by CSO (Chief Strategy Officer), includes executives responsible for sustainability management. This council discusses short-term and mid-to-long-term plans, progress, and improvements in areas such as labor rights, environment, partners, ethical management, strategies, compliance, customers, and information security. The outcomes and key issues discussed by the ESG Council are reported to the ESG Committee for further discussion.

Additionally, the company-wide Crisis Management Committee, which is held biannually and led by CRO (Chief Risk Officer), assesses risks related to labor, supply chain, quality, production, safety, customer value, logistics, sales, information protection, and compliance. The committee also undertakes improvement activities to mitigate identified risks.

LG Electronics' human rights policies, guidelines, and implementation progress.

- Global Labor Policy
- Global Labor Policy Guidelines
- Supplier Code of Conduct
- Supplier Code of Conduct Guidelines
- Safety and Health Policy
- Environmental Management Policy
- Diversity and Inclusion Policy
- Anti-Slavery and Human trafficking statement
- Code of Ethics
- Code of Conduct
- Conflict Minerals Due Diligence Report
- Privacy Policy
- Guidelines for Hazardous Substance Management in products
- LG AI Ethics Principles
- Sustainability Report

Document History

Version 1.0 – Established June 2024

LG Electronics has enacted its first human rights principles in 2024 to consolidate various internal human rights policies and underscore the company's commitment to respecting human rights and adhering to relevant international standards. The latest principles can be found on our official website (<https://www.lg.com/global/sustainability/reports/>).