

## **LG Code of Ethics**

We, at LG, share and believe in two key corporate principles - "Creating value for customers" and "Respecting human dignity." Based on these principles and in the spirit of our Management Charter, we strive to promote self-governing management and its accompanying responsibilities. It is our intention to uphold the principle of free market economy, which embodies the spirit of fair competition. We are committed to attaining our goal of becoming a global leader, and as such we will continuously pursue mutual benefits for our stakeholders on the basis of trust and cooperation. LG is committed to act uprightly and make value judgments in accordance to the code of ethics.

### **Chapter 1. Responsibilities and Obligations to Customers**

We highly regard the opinions of our customers in the belief that they form the very basics of our business. We seek to secure unconditional trust from our customers by continuously providing them practical values.

#### **1. Respect for Customers**

We value the opinions of our customers and validate their real needs at all times. Therefore we regard our customers as the primary standard for our decisions and conducts.

#### **2. Creating Value**

We work to create value for our customers for it is through customer satisfaction that we build the foundation of our prosperity. We continuously create practical values that fully benefit and satisfy our customers.

#### **3. Providing Value**

We are always truthful to our customers, and are bound to keep our promises. We offer top quality products and services to our customers at reasonable prices and respond to their requests with speed and accuracy.

### **Chapter 2. Fair Competition**

Our global business activities conform to relevant laws and regulations of the host nations. At the same time, we employ only fair and just means in securing our competitive advantage in the global market.

#### **1. Pursuit of Free Competition**

We uphold the principle of the free market economic system. Therefore we pursue

free competition and earn our customers' trust through top quality products and services. We compete fairly and capably with our competitors, but do not intrude upon their interests, or exploit their weaknesses.

## 2. Compliance with Laws and Regulations

We conduct our domestic and overseas business activities in strict accordance with local laws and regulations, and with respect for local business customs.

## **Chapter 3. Fair Transactions**

All business transactions will occur based on the principles of fair competition with equal opportunities for all entities to participate. We build trust and cooperative relationships through fair and transparent transactions. Such relationships are built with a long-term perspective for mutual growth.

### 1. Equal Opportunity

We offer equal opportunities to all qualified companies seeking to become our business partners.

All applicants are registered and selected in a rational manner following a fair and objective evaluation process.

### 2. Fair Transaction Procedures

All business transactions are conducted under equitable circumstances. The terms and procedures of the transaction are to be sufficiently discussed between parties involved. The use of prominence in position to execute an unjust transaction is forbidden. Information required for transaction is exchanged through appropriate procedures in timely manner. Transaction results are evaluated on a regular basis where complementary measures are mutually taken.

### 3. Support and Aid for Business Partners

We support the long-term growth of our dealers and vendors by enhancing their competitiveness through technological and managerial assistance. We share the profits derived from business innovations.

We pursue cooperation with our dealers and vendors in a mutual effort to promote a healthy trading environment and maintain a fair trading system.

## **Chapter 4. Basic Ethics for Employees**

Based on honesty and fairness, LG employees establish a correct values and fulfill the duties through continuous self-development and fairness in performance.

### 1. Basic Ethics

LG employees take pride in their company and always maintain an honest and fair attitude. LG employees keep a high standard of morality and continuously strive to maintain their personal dignity and company's honor.

### 2. Completion of Duty

LG employees faithfully accomplish their duties in compliance to the visions and policies of the company.

Assigned duties are carried out in the best possible and fairest manner while observing relevant laws and regulations.

LG employees protect and preserve company property and do not divulge confidential information gained during employment.

LG employees exert themselves in enhancing work efficiency through open communication and cooperation with colleagues and related departments.

### 3. Self Development

LG employees formulate their respective ideal image of an exemplary employee and constantly strive to conform to the image through continuous self development.

### 4. Fairness in Performance

LG employees carry out their duties based on honesty and fairness, seeking to foster a sound business culture.

While performing their duties, LG employees do not accept any form of financial benefit from interested parties that may obstruct fair judgment. LG employees do not participate in any immoral and unethical behaviors as prescribed by social norms in performing their duties to the company or in their personal lives.

### 5. Avoidance of Conflict with Company Interests

LG employees avoid any individual behaviors or relationships that are in conflict with company interests.

LG employees do not use company property to pursue their personal interests without prior permission.

## **Chapter 5. Corporate Responsibilities to Employees**

LG endeavors to respect the human dignity of its employees and provides fair treatment based on their abilities and performances. LG also strives to foster creativity among its employees.

### 1. Respect for Human Dignity

LG treats each employee with trust and affection and places a high value on

individual human dignity.

LG takes great efforts to help employees attain pride and personal fulfillment by instilling a sense of ownership in their jobs.

LG establishes fair regulations and educational guidelines necessary for employees to perform their duties.

## 2. Fair Treatment

LG offers equal opportunities to all its employees based on their abilities and talents.

LG applies fair measures to evaluate abilities and performances of its employees and rewards them accordingly.

## 3. Promoting Creativity

LG makes utmost efforts to promote a working environment conducive to creative thinking and autonomous behaviors.

LG develops and manages its human resources on a long-term basis and gives active support to cultivating employees' abilities.

LG creates a mature organizational culture that highlights mutual trust, understanding and respect for personal lifestyle.

## **Chapter 6. Responsibilities to Society and the Country**

LG contributes to national welfare and social development through rational business expansion providing stable growth as a corporation and protecting stockholder's interests.

### 1. Rational Business Development

LG conducts its business with respect to the social values at home and abroad. LG promotes its business expansions based on stable corporate growth.

### 2. Protection of Stockholder Interest

LG protects its stockholders' interests by earning healthy profits through effective management.

### 3. Contribution to Social Development

LG contributes to national and social development through job creation, tax payment, and promotion of cultural and welfare programs.

### 4. Environmental Conservation

LG strives to prevent environmental pollution and employs all measures necessary to conserve precious natural resources.