

Diversity, Equity, Inclusion



As a global leader in the battery industry, LG Energy Solution is building an organizational culture of DEI (Diversity, Equity, Inclusion) with the employees, under the philosophy that the employees are the most important customers. As the proportion of employees working overseas in the US, Poland, and China reaches 70%, we are making more efforts to recruit and foster global talent. We pursue an organizational culture based on the respect for diversity by not engaging in discrimination due to the differences of each employee, a culture based on the equity principles of offering opportunities to all and not discriminating according to the social status, and a culture based on inclusion where mutual understanding and respect among the employees are present.

What kind of organizational culture is LG Energy Solution pursuing?

Organizational Culture of Having Respect for Diversity

"LG Energy Solution respects diversity."

LG Energy Solution is recruiting talents from various countries, including Korea. As of 2021, the proportion of overseas employees at the global business site is about 70%, and the proportion of overseas employees is higher than that of domestic workplaces. When considering the future additional investments and expansions in the North American regions, the proportion is expected to grow, and we are planning to work with various global talents while communicating with them in real-time.

"LG Energy Solution values gender proportions."

As the result of LG Energy Solution's active efforts to hire female talents, the number of female employees in the domestic business sites has reached 1,471 in 2021, showing an increase of about 63% in 2 years from 903 in 2019. In addition, we are in the process of creating a stable work environment for female employees by instituting HR policies such as leave of absence, treatment support for fertility treatment and maternal protection for adopted children.

"LG Energy Solution do not 'discriminate' just because something/someone's 'different'."

LG Energy Solution will constantly increase the employment rate of the disabled by operating a disability-oriented subsidiary called Areumnuri(The Beautiful), and will continue to create a culture where all employees can work together and pay respect while eliminating discrimination. As of 2021, there were a total of 205 employees with disabilities, with 173 employees affiliated under Areumnuri, who performed the tasks of cleaning, steam car washing, working at cafeteria and cafes, managing parking lots and managing consumables at the business sites of Ochang, Daejeon, and Yeouido.

Organizational Culture Based on Equity Principle

"LG Energy Solution has established equity as the fundamental principle of all personnel management."

LG Energy Solution employs talented people without discrimination based on race, nationality, gender, religion, disability, region, and affiliated organizations, and conducts programs for a wider variety of personnel. The major production corporations conduct various programs such as internships, contests, and meetings with professional experts through industry-academic cooperation with nearby prestigious universities, and hire talented people of non-capital areas to help develop balanced regional development and to reduce unemployment rate among young people. Also, all employees are given equal opportunities of employment, promotion, compensation, and training based on their talents and abilities. They are not discriminated according to gender, age, race, religion, labor union activities, disabilities, pregnancy, marital status, social status, etc. As of 2021, the proportion of non-regular workers in LG Energy Solution is less than 1%, and 100% of employees who had continued to work will be converted to the status of regular workers.

Organizational Culture Based on Inclusion

"LG Energy Solution will build an organizational culture based on mutual understanding and respect among the members."

LG Energy Solution is creating a horizontal corporate culture in which the names of all employees are unified under the honorific title without any regard for duty and position, individuals are respected as work experts, and opinions can be freely expressed. "EnTalk" is a communication platform that allows employees to directly express their opinions to the CEO, and "LGCnergy" and "Hidden Hero" are platforms that express smooth cooperation and gratitude among employees. In order to create a "positive workplace culture," we are expanding a culture of routinely sending positive messages such as "Thank you and well done."

How do you train your employees?

LG Energy Solution provides programs to foster employees who can play a leading role in ensuring transparency and equity of the company, and actively supports the transfer of prospective retirees in preparing for an aging society. A representative program is one that fosters entrepreneurs who fulfill their social responsibilities and roles. There are integrated training activities of customized experience, exposure, and education that are conducted by comprehensively analyzing the work experience and performance, strengths and shortcomings of candidates who are considered for CEO and business manager positions. And in line with the rapid growth of the company, we have established and operated our own leadership development system so that the employees can effectively demonstrate their leadership. It provides information and implementation guides necessary for management of performance and organization in onboarding processes that can help successfully transition to positions immediately after being appointed, and provides leadership contents through Micro Learning Platform, which enables self-learning.

We are also conducting new employee trainings aimed at promoting a sense of affiliation and pride in the company, understanding of the business and products, and adaptation to the work environment. To help new employees adapt quickly, the Day 1 program is available at all times, both face-to-face and non-face-to-face, and applies Gamification and Metaverse technologies that take into account the characteristics and digital trends of the MZ generation to help ensure that soft-landing progresses effectively. LG Energy Solution operates LBA (LGES Battery Academy) to enhance the job capacity of its employees. LBA is a professional training program covering sectors on production, technology, quality, R&D, purchasing, SCM, Sales, PM, and DX. It consists of a total of 167 courses, and is available in overseas companies such as China, Poland and the United State. We have also established IBT (Institute of Battery Technology) to provide early training to new promising talents and systematically foster battery experts. In addition, as the global business expands, we make efforts to develop the head of the corporation by leading business in overseas company with crowning achievements. In order to strengthen the business and leadership capabilities for each head of the corporation, we design and closely manage individually customized development plans. Additionally, in order to respond to the demand for overseas employees, we are operating programs that can enhance foreign language skills and cross-cultural acceptability.



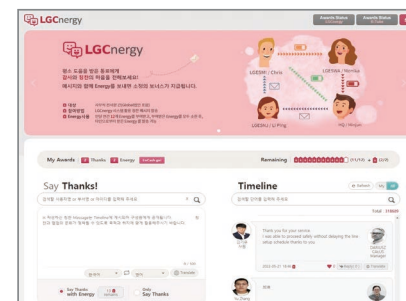
LG Energy Solution's new employee training

What do you do to make better organizational culture?

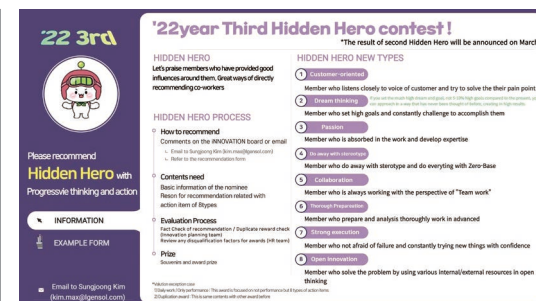
Under the philosophy of "the employees are the most important customers," LG Energy Solution plans and conducts activities of organizational culture through various channels, such as EnTalk (CEO Hotline), employee experience survey, and Junior Board.

On January 3, 2022, we officially announced, "6 major tasks of organizational culture (reporting and meeting, autonomous Work Culture, horizontal culture, positive culture, Enjoyable Work workplace, and sharing culture)," and employees who have experienced rapid application of their opinions began to more actively express their opinions.

In the case of reporting, the reports are replaced by written reports if verbal discussion is not necessary, and such reporting guidelines are attached and guided in the conference rooms in all business sites. In addition, considering the needs of employees who want to decide the working hours on their own, we have set up more than 20 remote workplaces in Seoul and are expanding them to Daejeon and Ochang, thereby putting autonomous work in a settlement stage.



LGCnergy



Hidden Hero

LG Energy Solution continuously conducts employee satisfaction surveys to develop activities of organizational culture that is based on employee experience. Our employees experience activities as follows.

01 Establishment of Entalk

- The CEO listening to the uncomfortable experience of the employees and quickly taking measures to improve upon it
- 412 ideas posted for improvement since its establishment in November 2021 (as of June 2022)
- Proposing various systems to increase employee satisfaction (fertility leave system, support of treatment expenses, etc.)

02 Employee Experience Survey

- Conducting survey for the first half of the year, done by all domestic and foreign office workers
- Constituting 16 questions related to 6 major tasks of organizational culture
- Revealing the survey results to all company employees and sending individual reports to the head of each organization
- Distributing all leaders a "Remote Work Guide" that reflects survey results
- Supporting developments of organizations that need or apply for improvements of organizational cultures
- After conducting the survey for the second half of the year, reflecting the evaluations of individual leaders in charge, based on the degree of improvement

03 Operation of Junior Board

- Selection of one employee for each department (110 in total), acting as a 'Change Agent'
- Department Representatives holding monthly meetings with the CEO and reflecting ideas of improvement (Drawing 6 major tasks of organizational culture, system improvement, etc.)
- Most of the major decisions related to organizational culture reflecting the opinions of the Junior Board

04 Improvement of Work Environment

- Securing 20 or more shared offices in capital areas for remote work
- Using the lounge on the 63rd floor of Park One (holding various events such as screen golf, massage, meditation, special lectures, and small concerts)
- Attaching meeting and reporting guides in all conference rooms

What does LG Energy Solution do to create "a company that employees enjoy working for"?

In order to make a "company you want to go to first thing in the morning," LG Energy Solution is conducting various activities to maximize the positive experience of the employees. It plans and provides healing programs for the employees to find wellness and supports stress care and mental counseling so that employees can recharge through rest and relieve mental discomfort. We are also operating a Family Friendly program that takes care of employees and their families, and Joyful Energy events to promote fellowship and boost morale. Additionally, we are preparing a system to create a Share Together culture to express love to your neighbors and feel gratitude and happiness.

Family Friendly	<ul style="list-style-type: none"> • Totoga (Saturday Office with Family) invitation event, special lecture on children's education, invitation event for parents of overseas employees during family month, etc. • Caring for employees by life cycle (childbirth, admission, college entrance exam, children's day, etc.)
Wellness	<ul style="list-style-type: none"> • Healing Day (every wednesday), providing experience in outside healing centers for employees, non-face-to-face stress detox programs, stress measurement events, meditation, yoga, and pilates, mental counseling rooms, refresh complex, and mini-library • Caring for employees by situation: Concierge services for employees going on overseas business trip and overseas employees, concierge services to support early settlement of new employees, and self-quarantine kits for Covid-19 confirmed cases, etc.
Joyful Energy	<ul style="list-style-type: none"> • Sports competitions (basketball, golf, etc.), hobby classes, the managers are giving (gifticons provided by managers for cheering up), test-drive of EVs, talk concerts of celebrities, baseball season ticket events, thank-you events for praising and collaboration employees of the month, etc. • Lottery event to spread 6 major tasks of organizational culture • Increasing identity and sense of belonging for Ensolers: Ensol's production and sales of goods, and emoticon events
Share Together	<ul style="list-style-type: none"> • Paid leave system for volunteering • Planning and operating volunteer groups led by employees, etc.

6 key activities of the 2022 organizational culture

We boldly remove and improve things that serve as an obstacle to our success in performance. Let us maintain our mental stability and stay healthy to focus on our key tasks!

1 Reporting and meeting culture focused on key tasks

- Prohibit handsomely decorated reports
- Allow only discussions and decision-making during meetings
- Share and become well-versed with meeting materials in advance

2 Autonomous working culture solely focused on performance

- Work at the most convenient place where one's productivity peaks (complete flextime, remote working)

3 Horizontal culture with no titles attached

- Everyone is addressed by their names anytime, anywhere, regardless of their position or rank

4 Positive culture full of gratitude and praise

- Express gratitude through LGCynergy
- Establish the sandwich speech (commendation - honest feedback - encouragement)
- Embrace meaningful failures

5 A pleasant workplace culture that cares for physical and mental wellness

- Focus at work and relax outside of work

6 Sharing a culture that conveys love to neighbors

- Full support for volunteering

ESG by Me

We asked Lisa Lee of Joyful Workplace Design Team



What kind of work does Joyful Workplace Design Team do?

The Joyful Workplace Design Team is engaged with activities that provide employees with "experiencing diverse happiness at work." We help the employees immerse themselves in their work and experience growth.

How do you define "Joyful Workplace" in your team?

There are various definitions of companies that people want to work at, but following the words of CEO Youngsoo Kwon, "company you want to go to first thing in the morning" is the aim of the Joyful Workplace Design Team. To this end, the Joyful Workplace Design Team prioritizes making employees feel that they are valuable members of the company and provides activities like mental and physical health care, family-friendly activities, boosting of employee morale, and strengthening of fellowship. In addition, we are planning community impact activities that employees can participate in, so that they can feel greater happiness by sharing.

How does LG Energy Solution care labor relations?

LG Energy Solution considers employees and labor unions as important partners in business, and practices organizational culture benefiting both labor and management based on trust from each other. Our employees are free to join and carry out the activities of the labor unions, and we conduct business-oriented and productive collective bargaining every year so that all employees can experience win-win situation. The Labor-Management Committee is also held every quarter in accordance to the legal standards, and the employees' difficulties and improvement of the working environment are discussed. Any changes that have been decided or changed through collective bargaining or Labor-Management Committee will be immediately notified to the employees, and the changes have been applied 100%.

Human Rights Management Policy

Based on our management philosophy of "people-oriented management," LG Energy Solution values the assurance and respect to the rights of dignity, freedom, and happiness. In this regard, we support human rights and labor-related international standards, such as Universal Declaration of Human Rights, human rights and labor principles of UNGC (UN Global Compact), UNGP (UN Guiding Principles on Business and Human Rights), and labor acts of ILO (International Labor Organization) and comply with the labor laws of all countries and regions where we conduct our business activities.

LG Energy Solution intends to apply the global human rights and labor principles to all business sites and improve the risks of human rights and labor through continuous monitoring. Moreover, we will share the principles with all of the stakeholders, such as the employees, customers, and suppliers, who are directly affected by LG Energy Solution's business activities and contribute to improving and spreading the awareness.

Global Human Rights & Labor Policy

Category	Contents
Humanitarian Treatment	We shall strive to create a safe working environment for all employees by respecting their dignity and preventing them from inhumane treatment or threats, such as mental or physical force or abusive language
Prohibition of Forced Labor	We shall prohibit unfair confinement of mental or physical freedom or forced labor against the will of the employees. We shall not demand the transfer of personal identification, passport or the original copy of labor permit as an employment condition.
Prohibition of Child Labor	We shall comply with the minimum employment age stipulated by the laws of each country and region and prohibit child labor of age 16 or under. When employing an adolescent whose age is 18 or under, we shall not offer a hazardous task in terms of occupational safety (including night shifts and overtime).
Nondiscrimination	We shall give all employees equal opportunities for employment, promotion, compensation, and training, and shall prohibit all types of discrimination according to gender, age, race, religion, labor union activities, disabilities, pregnancy, marital status, social status, etc.
Working Hours	We shall comply with the regulations regarding regular working hours, overtime and holidays stipulated by the laws in each country and region and shall not force anyone to work overtime outside their regular working hours. If anyone works overtime (within the limits set by the laws), we shall pay out the overtime compensation, in accordance with the pertinent laws.
Wage and Employee Benefit	We shall pay out wages exceeding the minimum wage stipulated by the laws in each country and region to all employees.
Freedom of Association	We acknowledge the freedom of association and right to collective bargaining, which are guaranteed by the laws in each country and region. We shall create an environment where all our employees can communicate easily without the fear of threats or retaliation. We shall not unfairly treat anyone for forming, joining or participating in a labor union.



Junior Board meeting



Healing Day



Totoga (Spend Saturdays with Your Family)



Employee basketball tournament

ESG by Me

We asked Kil Ja Lim of the representative of Junior Board

What is the JB (Junior Board) system and what role does it play?

The JB system is a representative organization of LG Energy Solution's employees, with the goal of "making a company where I want to work at and creating an environment where I can do my job better." The board listens to various stories of the employees and constantly speak up. As a 'Change Agent', i am responsible for informing people about areas that need improvement.

What is the most memorable change in your company through JB activities?

The most memorable change was when efforts were made to improve the in-house culture, such as liberalizing clothes in 2020, extending parental leave by 2 years in 2021, opening a daycare center for LG Energy Solution employees, and preparing an environment where profits are donated through the sales of LG Energy Solution goods in 2022. Like the Indian rituals for rain which will continue until it rains, we will not give up and "speak up" so that the opinions of employees are reflected in the improvement of the organizational culture through online communication space for employees. In addition, we will create an environment where current JB activities can lead to the next JB and create a better organizational culture with all of the employees.

