

LG Energy Solution Code of Conduct for Suppliers

LG Energy Solution, Ltd. (“LG Energy Solution”) is committed to becoming a global battery company that carries out its roles and responsibilities as a member of global society. We strive to provide sustainable solutions that can contribute to resolving social and environmental problems, while endeavoring to adhere to the basic principles of sound business growth.

We have established the “LG Energy Solution Code of Conduct for Suppliers” based on internationally-recognized norms and standards, such as the Universal Declaration of Human Rights, United Nations’ Guiding Principles (UNGP) on Business and Human Rights, the Ten Principles of the United Nations Global Compact relevant conventions of the International Labor Organization (ILO), the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and all applicable legal requirements, to fulfill our social responsibilities at the global level and to achieve sustainable performances. We particularly require the support of our suppliers (the “Company”) to comply with all applicable laws and regulations and the following standards, and to require the same (or equivalent) of their suppliers.

Human and Labor Rights

1. The Company does not hire any person below the legal working age and complies with the relevant legal requirements for child labor regarding minimum age, working hours and working conditions.
2. The Company prohibits any form of modern slavery or human trafficking, including forced labor, and labor exploitation, and establishes employment contracts that clearly define the working conditions in the employees’ native languages.
3. The Company prohibits all forms of discrimination due to race, skin color, age, gender, sexual orientation, place of origin, nationality, physical disability, pregnancy, religion, political views, labor union membership, or marital status, in terms of employment, promotion, remuneration, and educational opportunities-
4. The Company respects the human rights of all employees and ensures humane working conditions by prohibiting any sexual harassment, abuse, punishment, psychological or physical coercion, violent language, and torture.
5. The Company respects and protects the rights of women, indigenous peoples, minorities and other marginalized or disadvantaged communities.
6. The Company abides by all legal requirements related to maximum working hours, days of work, minimum wage, welfare, and remuneration.
7. The Company respects the employees’ freedom of association, right to form trade unions and right to collective bargaining in accordance with local laws and regulations. Employees

can communicate with the management with regard to their working conditions without any risk of discrimination, retaliation, threats or harassment.

Business Ethics

1. The Company abides by the highest standards of business integrity in all business interactions. The Company must have a policy to prohibit all forms of bribery, corruption, money laundering, and extortion.
2. The Company respects the financial laws and does not promise, offer, authorize, give, or accept bribes or other means to obtain an undue or improper advantage, this includes means of non-payment of taxes, fees and royalties. This prohibition covers promising, offering, authorizing, giving, or accepting anything of value, whether directly or indirectly through a third party, to obtain or retain business, direct business to any person, or otherwise obtain an improper advantage.
3. The Company conducts all business dealings transparently and accurately records information in the Company's business books and records. Information regarding the Company's labor, health and safety, environmental practices, business activities, structure, financial situation, and performance must be disclosed under applicable regulations and prevailing industry practices. LG Energy Solution does not tolerate falsification of records or misrepresentation of conditions or practices in the supply chain.
4. The Company must ensure compliance with all applicable national and international trade embargoes and sanctions, and must therefore take all necessary measures to avoid the risk of sanctions violations.

Health and Safety

1. The Company must comply with legally-mandated precautionary measures, including evaluating and eliminating hazardous factors, providing regular education and emergency training, providing personal protective equipment, to ensure that employees can work and live (if accommodation is provided) in a safe and healthy environment. If the activity requires the use of heavy machinery, the Company must ensure that the vibration and noise resulting from it are in accordance with local safety regulations.

Environmental Sustainability

1. All required environmental permits, approvals, and registrations must be obtained and maintained in the most recent versions. The Company must devote utmost efforts to proactively identify, assess and minimize adverse impacts of its manufacturing process in all areas of its business, such as hazardous substances; solid waste and residue; wastewater; air pollution, including greenhouse gas (GHG) emissions; soil pollution and

erosion; land use and degradation; water consumption and pollution, including seabed and marine environment; biodiversity loss and damage, and energy use on the environment and local community.

2. The Company is expected to calculate the life cycle assessment related to production, product and transport, and the supporting environmental data underpinning that assessment in accordance with internationally recognized methodology for life cycle assessment. The Company must provide the results to LG Energy Solution upon request.
3. The Company must have a system for monitoring the electricity consumption of the operations, establishing data on greenhouse gas (GHG) emissions, as well as to cooperate to increase the use of renewable energy in the manufacture of products supplied to LG Energy Solution.
4. The Company must devote utmost efforts to preserving biodiversity by ensuring that its activities have minimal impact on local biodiversity. The Company must furthermore respect the space, culture and biodiversity of local communities.

Responsible Mineral Sourcing

1. The Company must prohibit the use of the Relevant Minerals (as defined in Appendix 1) sourced through any illegal, unethical, or improper processes which result in human rights abuses, war crimes or other serious violations of international humanitarian law, crimes against humanity, genocide, health and safety risks, and environmental harm, including water depletion and consumption, waste, and pollution.
2. The Company must procure Relevant Minerals solely from suppliers approved by LG Energy Solution and must not alter its subcontractor and sub-tier suppliers in the upstream supply chain without LG Energy Solution's prior written consent. The Company must provide LG Energy Solution with necessary assistance and information reasonably needed by LG Energy Solution to evaluate new subcontractors or sub-tier suppliers that the Company wishes to use in its supply chain for manufacture of products supplied to LG Energy Solution.
3. The Company must identify, address and mitigate any risk in its supply chain related to the mining and processing of the Relevant Minerals. The Company must develop and execute due diligence policy and system measures of the origin and chain of custody on Relevant Minerals from conflict-affected and high-risk areas defined in Appendix 1, to be updated from time to time in accordance with all applicable laws and international industry standards including the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the "OECD Guidance") and the United Nations' Guiding Principles on Business and Human Rights ("UNGPs"), as further described in Appendix 1, and actively cooperate with LG Energy Solution's due diligence efforts in accordance with the requirements set forth in this Code, in LG Energy Solution's

Responsible Sourcing Policy ¹and those required by LG Energy Solution regarding human rights, environment, health and safety.

4. The Company must avoid using Relevant Minerals from smelters or refineries that do not meet the requirements of the OECD Guidance, and must order its subcontractors to act accordingly. The Company must ensure that its suppliers of Relevant Minerals are in compliance with the OECD Guidance and the Sustainability Standards (e.g., the Responsible Minerals Initiative's (RMI) Responsible Minerals Assurance Process (RMAP); the Initiative for Responsible Mining Assurance (IRMA)), and must demonstrate such compliance upon LG Energy Solution's request (a visit to the Company's operations may be required).
5. The Company must provide information related to its supply chain due diligence in accordance with the OECD Guidance and LG Energy Solution's reporting processes and requirements.
6. The Company must be liable for all direct and indirect damages incurred by LG Energy Solution due to non-compliance of this Section (Responsible Mineral Sourcing), and implement appropriate corrective actions within a reasonable timeframe, so as to remedy the violation and to prevent similar future occurrence. The corrective actions shall include options for alternative sourcing or mineral substitution, as appropriate.
7. The Company must not tolerate any form of direct or indirect support to non-state armed groups or/and public or private security forces through the extraction, transport, trade, handling or export of minerals. Direct or indirect support to non-state armed groups through the extraction, transport, trade, handling, or export of minerals includes, but is not limited to, procuring minerals from, making payments to or otherwise providing logistical assistance or equipment to, non-state armed groups or their affiliates.

Grievance Channel

1. The Company must provide a confidential and anonymous channel for affected stakeholders and members of the public to report any concerns related to risks or actual adverse impacts within the supply chain for Relevant Materials supplied to LG Energy Solution. The Company must not tolerate any form of retaliation against individuals who report misconduct or participate in any follow-up investigation.

¹ Please refer to LG Ensol's official webpage

Acknowledgement for LG Energy Solution Code of Conduct for Suppliers

We agree to fully acquaint and comply with the LG Energy Solution Code of Conduct for Suppliers (this “Code”).

1. We are fully aware of the contents of the Code, and are committed to faithfully comply with the requirements therein which we recognize as a significant factor as a supplier who carries out transactions with LG Energy Solution, Ltd. (“LG Energy Solution”). We, as a supplier who carries out transactions with LG Energy Solution, fully acknowledge that a breach of any of our obligations under this Code is a material breach of contract, and that if the relevant issue is not remedied or improved, LG Energy Solution may take actions, including request for corrective measures, suspension or termination of the business relationship, upon written notice to our company.

2. If LG Energy Solution or any party designated by LG Energy Solution requests a survey or a visit to our company in order to audit our compliance with this Code, and asks that we take any corrective measures based upon the results of such audit, we will cooperate and respond to any request of LG Energy Solution, to the extent our operational activities, intellectual property rights and other rights are not adversely affected. Such exceptions must be approved in writing by LG Energy Solution. To this end, we shall permit, and shall cause to our subcontractors or suppliers to provide, LG Energy Solution with access to relevant facilities, records, and personnel for which LG Energy Solution reasonably requests. We shall promptly implement reasonable corrective action to remedy any non-conformance with this Code, and shall require our subcontractors or suppliers to do so as well when non-conformance is identified by audit.

3. We shall communicate the requirements of this Code to our employees as well as our suppliers and cause them to comply with the terms and conditions of this Code.

4. We agree that this Code is subject to change and may be amended, or supplemented by LG Energy Solution. If there are inconsistencies between a supply agreement and this Code, this Code shall prevail to the extent of the inconsistencies.

5. The Company shall maintain documents and records of all identified risks, and the actions taken to follow up on such risks, for a period requested by LG Energy Solution from the date each risk is first identified and reported. The Company shall immediately notify LG Energy Solution in writing if Company becomes aware of any violation of this Code.

This Acknowledgement is made in two original copies, one for the Company and the other for submission to LG Energy Solution. Electronic (PDF) copies of signatures will constitute originals for all purposes.

_____, 20_____

Company Name:

Sign: _____

Name:

Title:

To LG Energy Solution, Ltd.

[Appendix 1] Due Diligence Policy

1. Due Diligence Target

Relevant Minerals	Conflict minerals (i.e., tin, tantalum, tungsten, gold), minerals used in manufacturing lithium-ion batteries, such as cobalt, natural graphite, lithium, nickel, manganese and chemical compounds based on these raw materials and which are necessary for the manufacturing of the active materials of batteries, which may be added by request of LG Energy Solution's customers, mined in conflict -affected and high-risk areas
Conflict-Affected Areas	Areas identified by the presence of armed conflict, widespread violence, including violence generated by criminal networks, or other risks of serious and widespread harm to people. ²
High-Risk Areas	Areas of environmental harms, health and safety risks, political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure and widespread violence

2. Due Diligence Standard

- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
- United Nations Guiding Principles on Business and Human Rights
- OECD Due Diligence Guidance for Responsible Business Conduct
- OECD Guidelines for Multinational Enterprises
- All applicable laws and international industry standards
- LG Energy Solution's requirements with respect to the scope and methodology of audit and assessment

² LG Energy Solution uses an internationally recognized method for determining a list of conflict-affected areas. It draws upon existing lists, e.g., Section 1502 of the U.S. Dodd Frank Act, the European Union list of conflict-affected and high-risk areas under Regulation 2017/821, as well as various established indices on governance, corruption, human development, etc. Upon request, this list may be provided at LG Energy Solution's discretion. This list is subject to change periodically.

OECD Due Diligence Guidance for the Relevant Minerals – 5 Steps Framework

No.	Steps	Contents
1	Establish strong company management system	<ul style="list-style-type: none"> • Establish due diligence policy and management system (Ref : OECD Guidance Annex II) <ul style="list-style-type: none"> - Risk identification - Risk prevention and mitigation - Third-party verifications or audits of supply chain due diligence - Mechanism for reporting applicable risks • Have due diligence policy in place consistent with OECD Guidance and this Code, to improve transparency and traceability, and continuously work with implementing developments that improve the integrity of the information related to the transparency and traceability • Communication of due diligence policy with stakeholders, including suppliers (Relevant provisions included in the contract) • Supply chain history management
2	Identify and assess risks in supply chain	<ul style="list-style-type: none"> • Identify risks in supply chain <ul style="list-style-type: none"> - At least annually, or additionally as requested by LG Energy Solution. - Supply chain mapping should include identification and location information with respect to subcontractors and suppliers associated with Relevant Minerals, and the country of origin of all Relevant Minerals • Assess risks of suppliers based on OECD Guidance Annex II <ul style="list-style-type: none"> - Review and investigate identified and prioritized risks received from LG Energy Solution and any other resources - Gather information in connection with risk mapping as may be requested by LG Energy Solution
3	Design and implement strategy to respond to identified risks	<ul style="list-style-type: none"> • Devise and adopt risk management plan identified in the ‘Identify and assess risk in supply chain’ phase <ul style="list-style-type: none"> - Resolve reporting gaps in risk assessments - Directly or indirectly request that applicable supply chain actors take prevention, mitigation, and resolution actions - Terminate relationships with supply chain actors that are unwilling to engage in necessary supply chain and risk mapping, resolutions of high risks, and verifications or audits Report findings of the supply chain risk assessment and risk management plan to the designated senior management of the Company

4	Carry out supply chain due diligence at identified points in the supply chain	<ul style="list-style-type: none"> • Due diligence based on OECD Due Diligence Guidance (Conduct independent third-party audit) <ul style="list-style-type: none"> - Participate in and complete third-party verifications or audits of applicable risks - Provide clear guidance on intended improvements to risk management - Remain actively involved in the preparation and remediation of identified verification or audit gaps - Make progress towards third-party verification or audit within a reasonable time as requested by LG Energy Solution
5	Report on supply chain due diligence	<ul style="list-style-type: none"> • Publicly report on supply chain due diligence results in accordance with the OECD Guidance (through sustainability management report, annual report, etc.) • Provide supply chain mapping information to LG Energy Solution or to a recognized third party to aggregate reporting across the mineral supply chain • Report any significant changes, and/or new information affecting previously provided information

[Appendix2] References for the LG Energy Solution Code of Conduct for Supplier

The following standards were used in referencing this LG Energy Solution Code of Conduct for Supplier, on which additional information can be found at the sites listed:

RBA Code

<http://www.responsiblebusiness.org/code-of-conduct/>

ILO International Labor Standards

www.ilo.org/global/standards/lang-en/index.htm

ISO 14001

www.iso.org

ISO 45001

www.iso.org

OECD Guidelines for Multinational Enterprises

www.oecd.org

OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

<http://www.oecd.org/investment/mne/mining.htm>

SA8000 and SAI (Social Accountability International)

<http://www.sa-intl.org/>

United Nations Global Compact

www.unglobalcompact.org

Universal Declaration of Human Rights

www.un.org/Overview/rights.html

UN Guiding Principles on Business and Human Rights

https://www.ohchr.org/en/ohchr_homepage

Convention on Biological Diversity Decision COP VIII/28- Voluntary guidelines on Biodiversity-Inclusive impact assessment

<https://www.cbd.int/doc/decisions/cop-08/cop-08-dec-28-en.doc>

ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy

https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---multi/documents/publication/wcms_094386.pdf

UNEP Guidelines for Social Life Cycle Assessment of Products

<https://www.unep.org/resources/report/guidelines-social-life-cycle-assessment-products>

Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc

https://coppermark.org/wp-content/uploads/2020/08/DRAFT_Joint-Due-Diligence-Standard_Vers27AUG20.pdf

RMI - Responsible Mineral Initiative

<https://rmi.org/>

IRMA Initiative for Responsible Mining Assurance

<https://responsiblemining.net/>