



ETHICAL MANAGEMENT

Delivering customer satisfaction and respecting human dignity have been the cornerstones of the LG Chem management philosophy since our founding back in 1947. In 1994, we became one Korea's first companies to publicly adopt a code of conduct, the LG Code of Ethics. In 1995, we introduced "management by principle", a paradigm of conduct that connects our management philosophy with our vision of being a global industry leader.

MANAGEMENT BY PRINCIPLE

We believe that the secret to being a global industry leader lies in winning the hearts of customers, competing fairly and transparently, and playing a responsible role in society. Management by principle is about much more than following ethical business standards. It is a framework for continuous personal improvement and fair and transparent competition.

Today, this paradigm is evident in all aspects of our operations. It shows in our world-class products and service. It shows in our advanced IT systems that raise visibility and transparency across the enterprise. And it shows in our membership in Responsible Care®, the global chemical industry's sustainability initiative.

EMPLOYEE RELATIONSHIPS

We require all employees to make a signed pledge to practice management by principle as well as investing considerable time and resources to help them learn and apply it in real-world situations. We have also put in place safeguards to ensure that whistleblowers are properly protected at work to enhance the transparency of all aspects of our operations.

CUSTOMER RELATIONSHIPS

As a rule, we do not give or accept gifts in the course of business relationships. When rejection would create awkward business situations, the gift is accepted and turned in to the company for auctioning to the highest bidder, with the proceeds going to charity.

SUPPLIER RELATIONSHIPS

We use an online bidding system to ensure fairness in procurement. We also strive to build win-win relationships through regular consultations on technical, environmental, safety, and energy issues.

COMPETITOR RELATIONSHIPS

We believe that fair trade benefits everyone. Our compliance program plays a key role in ensuring we deliver value to our stakeholders.