

Prohibition and Prevention of Corruption Policy and Regulation

Compliance Team



Copyright © LG CNS

Copying, distributing, or using this content in whole or in part without prior approval from LG CNS is prohibited.

LG CNS Anti-Corruption Policy

1. The company complies with all domestic and international anti-corruption laws and regulations and does not tolerate any form of corruption.
2. Employees must maintain integrity and fairness in performing their duties and refrain from exerting inappropriate influence on stakeholders. Furthermore, they must not offer or accept bribes, kickbacks, or other valuables. They must also refuse any gifts, entertainment, or offers that could influence business decision-making or lead to corruption and immediately report them to the Compliance Support Department.
3. Concealing or condoning such behavior is prohibited. The company strictly protects the identity of whistleblowers and takes strict action against any violation of the anti-corruption policy in accordance with a zero-tolerance policy.

Table of Contents

1. General Provisions.....	3
2. Compliance with Anti-Corruption Laws.....	4
3. Prohibitions	5
4. Compliance with Third-Parties.....	5
5. Appointment of Agent.....	6
6. Sanctions against Violators	7

1. General Provisions

1.1 Purpose

The objective of this Regulation is to establish all necessary provisions for the officers and employees of LG CNS Co., Ltd. (hereinafter referred to as the 'Company') to adhere to anti-corruption laws in the conduct of business.

1.2 Related Standards

[Regulation] Employment Rules

[Law] Criminal Code, Act on Aggravated Punishment for Specified Crimes, Act on Aggravated Punishment for Specified Economic Crimes, Act on Prevention of Bribery of Foreign Public Officials in International Commerce, the Act on Prohibition of Illegal Solicitation and Receipt of Money and Valuables, the Foreign Corrupt Practices Act, UK Bribery Act 2010, OECD Anti-Bribery Convention

1.3 Scope

- 1.3.1 This Regulation is applicable to all officers and employees of the Company.
- 1.3.2 The Company may establish detailed guidelines for each country to ensure compliance with this Regulation in accordance with the local laws and circumstances.

1.4 Definitions

- 1.4.1 'Public Official' refers to a public official or a public service worker who falls under any of the following:
 - 1) Those who are engaged in legislative, administrative, or judicial work of government (including all levels of government; international, national, and local), whether appointed or elected.
 - 2) Those who perform the following public functions:
 - A person who is appointed by the government to perform public duties
 - A person who is engaged in the work of a public institution, quasi-public institution, charitable organization, credit institution, or public institution established under laws and regulations to perform specific public duties
 - Officers and employees of companies or businesses in which the government has invested more than 50 percent of its paid-in capital or who exercises substantial control over the management, including decision of important businesses and appointment and dismissal of

executives (except for companies that do not receive discriminatory subsidies or other preferential treatment and engage in business in a competitive relationship equivalent to that of general private economic entities)

- A person who works for a public international organization
- Employees of political parties and candidates for public offices
- A person who is deemed as a public official under other laws
- A person who may affect the public interest
- Officers and employees of companies who use public facilities or receive funds from public institutions

1.4.2 'Third Party' means any agent, consultant, professional consultant (such as legal, labor, accounting and tax experts, etc.), trading partners, joint ventures, partners or joint suppliers (such as consortiums), sales agents or distributors employed to promote, demonstrate or explain the Company's products or services, or for the execution of, or to assist in the performance of any contract, or otherwise for the business of the government.

1.4.3 'Bribe' means improper provision of money or valuables, property gains, or other tangible/intangible economic benefits to a public official in order to obtain or maintain a business benefit.

1.4.4 'Gift' refers to goods and services provided without expectation of unlawful or unreasonable consideration and generally accepted under social norms.

1.4.5 'Money and valuables' means any of the following :

- 1) All pecuniary benefits, including money, securities, real estate, goods, accommodation vouchers, memberships, entrance tickets, discount coupons, invitation tickets, admissions, rights to use real estate, etc.
- 2) Provision of entertainment such as food, alcohol, and golf, or convenience such as transportation and accommodation.
- 3) Other tangible and intangible economic benefits, such as debt relief, provision of employment, donations, or granting of rights/privileges.

1.4.6 'Valuables' mean anything of economic value, including but not limited to money or gifts, foods and entertainment, payment of expenses, donations, political contributions, memberships, gift certificates, special discounts on products and services, provision of employment or personal benefits.

1.4.7 'Congratulatory gifts' means valuables, economic benefits and others provided for ceremonial occasions.

2. Compliance with Anti-Corruption Laws

- 2.1 Officers and employees shall comply with the Criminal Code, the Act on Aggravated Punishment for Specified Crimes, the Act on Aggravated Punishment for Specified Economic Crimes, the Act on Prevention of Bribery of Foreign Public Officials in International Commerce, the Act on Prohibition of Illegal Solicitation and Receipt of Money and Valuables, and other anti-corruption laws of the Republic of Korea.
- 2.2 Officers and employees shall comply with the Foreign Corrupt Practices Act (hereinafter referred to as the 'FCPA') of the United States, the UK Bribery Act, the OECD Anti-Bribery Convention, and all local anti-corruption laws and regulations (including the 'Anti-Corruption Laws' set forth in Section 2.1.) regardless of the region or country in which the Company is conducting business.

3. Prohibitions

- 3.1 Officers and employees shall not directly or indirectly provide, offer, promise or approve money, valuables, or other bribes for the purpose of exerting influence on public officials, customers, and other third parties (hereinafter referred to as 'Public Officials, etc.') ensuring that certain people or companies are given business opportunities, or acquiring or maintaining unfair business interests.
- 3.2 In the event that the Company intends to provide business conveniences (small-scale promotional items, gifts, foods, transportation, etc.) or congratulatory gifts, travel expenses, facilitation fees, and donations to public officials for the purpose of concluding a contract, promoting the Company's products, or developing friendly business relations, the following shall be observed.

Compliance
<ul style="list-style-type: none">• It must be provided to the extent permitted by the laws of each country.• It shall comply with the upper limits and standards set in the code of conduct for public officials and government agencies of each country.• It should conform to local culture and customs, and be at a reasonable and appropriate level.• Expenses shall be documented by receipt, invoice, hard copy, or other means.

4. Compliance with Third-Parties

- 4.1 Officers and employees shall ensure that all third parties fully understand anti-

corruption policy of the Company and comply with this Regulation, and submit ethics statement of the Company. Compliance of the third party with anti-corruption clause in the contract shall be regularly verified.

4.2 Officers and employees responsible for third parties should promptly reach out to the Legal Department if any Red Flags are detected or if any concerns or inquiries related to the third parties emerge.

Red Flag
<ul style="list-style-type: none">• If the corruption index of the country where the business is carried out is high, or cases of corruption are prevalent• If the third party has a family or business relationship with the public official, etc.• If the third party is specifically recommended by a public official, etc.• If the third-party claims exerting influence over public officials as its unique capability• If the third party refuses or fails to comply with the anti-corruption laws and this Regulation• If the third party declines a request for verification related to anti-corruption, or provides false, incomplete or inaccurate information• If the third-party refuses to sign a written contract or demands an under-the-table contract• If the third-party requests for a false or inappropriate document• If the third-party demands complex methods such as requesting remittance of expenses paid to a third party to an account in a third country• If the third-party claims costs with suspicious origin or incorrectly stated• If the third-party lacks internal control mechanisms such as accounting records• If the third-party demands excessive compensation for their services• If the third-party frequently makes large political donations• If the third-party requests anonymity

5. Appointment of Agent

5.1 In the event when the agent is appointed to conduct domestic or international business, the sales representative (or Project Manager) of the Business Department shall provide information that can ascertain the agent's expertise and reputation to the Legal Department by the Checklist for Appointing Agent

of the Company, which is available on MyWork. The Legal Department may request additional fact-checking or clarification as needed.

- 5.2 The agent is required to submit a confirmation letter stating that the agent is not a current or former public official and has not committed any corruption activities, along with the Checklist specified in Section 5. 1.
- 5.3 After the execution of the agent appointment contract, outcomes provided by the agent and documentation of checking whether all services stipulated in the contract have been fully received, must be shared with the Legal Department.
- 5.4 The agent who has failed the preliminary verification by the Business Department before concluding the contract, and the agent who has been terminated midway in the contract, shall be shared with the Legal Department to prevent re-employment. The Legal Department should keep a list of these agents.

6. Sanctions against Violators

- 6.1 The Company can take measures to recover damages, as well as disciplinary actions in accordance with the <Employment Rules>, against employees who have violated this Regulation, apart from criminal penalties under the anti-corruption law.
- 6.2 Officers and employees cannot receive reimbursement for the fine due to civil or criminal penalties for violating the anti-corruption law, and the Company will not assume responsibility on behalf of the officers and employees under any circumstances.