# Table of Contents


## 1. Overview

## 2. Basic Principles

## 3. Establishment of Human Rights Management Systems

## 4. Human Rights Risk Management


| Revision History | Rev. No | Date | Confirmation/ Revision | Revised Content |
|---|---|---|---|---|
| | | | | |

# 1. Overview

## I. Purpose of the Human Rights Policy

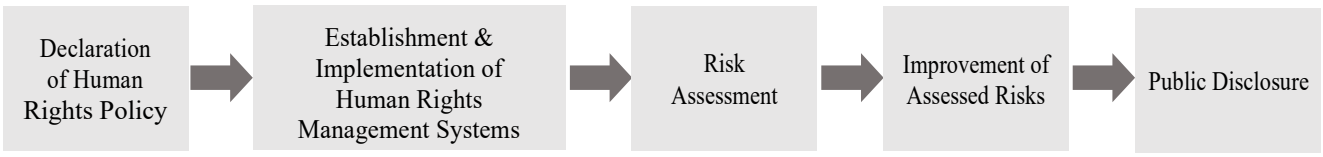
LS ELECTRIC declares this human rights policy to actively comply with human rights policies, prevent human rights violations, mitigate related risks in business operations and provide a quality working environment. LS ELECTRIC adheres to international and domestic standards related to human rights and labor, such as the Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, International Labor Organization Constitution, and OECD Due Diligence Guidance for responsible Business Conduct.

## II. Scope of Application of the Human Rights Policy

The scope of application of this human rights policy includes all employees of LS ELECTRIC (including executives, full-time and part-time employees) working in domestic and international production and sales entities, subsidiaries, affiliates, overseas offices, and joint ventures. Additionally, LS ELECTRIC employees are required to adhere to this human rights policy when dealing with suppliers, sales, and service organizations. Furthermore, they are encouraged to ensure that all stakeholders in their business relationships respect this human rights policy. In cases where matters covered by this human rights policy conflict with local laws and regulations, LS ELECTRIC prioritizes compliance with local laws and may modify the policy to reflect the legal requirements and industry characteristics of the respective country. If necessary, a separate detailed policy may be established. Unless such a conflict arises and a separate policy is established in accordance with the local laws and regulations of the respective country, all LS ELECTRIC employees are to perform their duties in compliance with this human rights policy.

## III. Human Rights Risk Management System

LS ELECTRIC establishes internal systems necessary for the implementation of human rights management in accordance with this human rights policy. The organization regularly assesses and addresses human rights risks and shares the results adequately with stakeholders. All departments related to human rights at LS ELECTRIC is to adhere to the principles of good faith and sincerity, implementing and improving the human rights risk management system. They periodically review human rights management procedures and revise the system to actively incorporate social changes.



## 2. Basic Principles

### I. Non-Discrimination

LS ELECTRIC strictly prohibits all forms of discrimination against any employee based on factors including, but not limited to, gender, race, ethnicity, nationality, religion, disability, age, family status, social status, sexual orientation, or political beliefs in the process of recruitment, promotion, education, compensation, and employee benefits without reasonable cause. The company is committed to building an organizational culture that respects diversity, equity, and inclusion.

### II. Compliance with Labor Laws and Regulations

LS ELECTRIC adheres to all labor laws and regulations in the countries where it conducts business. Additionally, the company provides sufficient educational opportunities for the development of employees and ensures an appropriate working environment, aiming to enhance the quality of life for its workforce.

### III. Prohibition of Maltreatment

LS ELECTRIC strictly forbids mental, verbal, and physical coercion, abuse, or any form of unreasonable treatment in the workplace. Furthermore, LS ELECTRIC respects the privacy of all employees and diligently protects their personal information.

### IV. Guarantee of Freedom of Association and Collective Bargaining

LS ELECTRIC guarantees freedom of association and collective bargaining in accordance with labor laws of the countries in which it operates. LS ELECTRIC respects its employees' right to form and join labor unions and prohibits unfair treatment or discrimination on the basis of union membership.

### V. Prohibition of Forced and Child Labor

LS ELECTRIC complies with the minimum employment age set by the country of business and ensures that employees are not mentally or physically restrained or forced to work against their free will. Under no circumstances will LS ELECTRIC partake or associate itself with practices such as slavery and human trafficking.

### VI. Guarantee of Workplace Safety and Occupational Health

LS ELECTRIC complies with industrial safety and health-related laws in each country of business to ensure that all employees can work in a safe environment. The company conducts regular inspections of facilities, equipment, and tools at the workplace, implementing appropriate measures for the prevention of physical and mental risks. Additionally, to

guarantee industrial and occupational safety, LS ELECTRIC strictly prohibits the illegal sale, use, or possession of drugs, and the consumption of alcohol in the workplace or during work hours for all its employees.

### VII. Protection of the Human Rights of Local Residents

All employees of LS ELECTRIC must take active measures to ensure the protection of human rights of local residents during the course of their duties. LS ELECTRIC safeguards the rights of local residents, including but not limited to, their rights to safety, health, and freedom of residence.

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### VIII. Protection of Customer Rights

LS ELECTRIC's employees must prioritize the protection of customers' lives, health, and property when providing products and services. Additionally, the company must take measures to protect the personal information of customers collected through its business activities.

## 3. Establishment of Human Rights Management Systems

### I. Governance

① Roles and Responsibility

LS ELECTRIC manages and supervises the progress of human rights management through committees or meetings reporting directly to the ESG Committee or the Board of Directors (BOD). The roles and responsibilities of these committees and meetings include 1) formulating and reviewing human rights policies mentioned herein, 2) providing opinions on amendments to internal regulations such as employment rules and audit standards, 3) conducting human rights risk assessments and recommending methods of improvement, 4) investigating and deliberating on solutions for cases of human rights violations, and 5) addressing any other matters deemed necessary for human rights protection.

② Implementation of Human Rights Management

LS ELECTRIC designates organizations responsible for implementing human rights management. The designated organizations in charge of human rights management may conduct activities such as 1) formulating and revising human rights policies, 2) establishing an execution plan for human rights management, 3) conducting human rights risk assessments, 4) operating channels for handling grievances, and 5) education and internal/external reporting.

## II. Grievance Mechanism

### ① Internal Reporting Channel

LS ELECTRIC operates an internal reporting channel through which employees or other individuals/organizations who/which have experienced human rights violations or are aware of any human rights risks associated with LS ELECTRIC's business, can submit reports to.

**[Internal Reporting Channel]**

1. **Organization : GHR)People Team**
2. **E-mail : hr@ls-electric.com**

### ② Handling of Human Rights Violation Reports

LS ELECTRIC, with the support of its legal department, refers to court precedents, relevant laws and regulations, past internal practices, and other industry practices when dealing with human rights violation reports. If the reported violation significantly infringes on the rights of the victims or poses a high risk to the company's reputation, the violation may be discussed and solved in committees such as the ESG Committee or the BOD.

### ③ Protection of the Reporter's Identity

All employees of LS ELECTRIC must refrain from disclosing or publicizing any personal information of the reporter or any information related to the report to those not relevant to the investigation or solution of the case. The details of the report, the victim, and subsequent actions must be kept strictly confidential. Necessary measures are to be taken to ensure that individuals who report cases of human rights violations or human rights risks are not subjected to any disadvantage as a result of their reports.

## III. Education and Expansion of Human Rights Management

### ① Education

LS ELECTRIC provides education to its employees in order to enhance the understanding of human rights and improve awareness. Through such education, the company aims to align its employees with the planned direction of its human rights management of no discrimination and active reporting of identified cases of human rights violations and risks.

### ② Expansion

LS ELECTRIC ensures that its human rights policy and associated processes are shared not only within LS ELECTRIC but also with suppliers, sales & service organizations, and other organizations in its value chain. The sharing methods may consist of different channels of communication (voice, video, written documents, electronic documents, etc.) and languages, depending on the circumstances.

# 4. Human Rights Risk Management

## I. Risk Assessment

### ① Evaluation Criteria

LS ELECTRIC assesses human rights risks based on the evaluation criteria which incorporates the fundamental principles of this Human Rights Policy, the UN Guiding Principles on Business and Human Rights, OECD Due Diligence Guidance for Responsible Business Conduct, and Korean Ministry of Justice's Corporate Human Rights Management Standard. These indicators should assess human rights risks in the areas of work environment, labor conditions, human resources management, industrial safety, and the rights of local residents and customers.

### ② Evaluation Process

LS ELECTRIC evaluates organizations mentioned in the scope of this human rights policy to assess the current status of human rights management and potential risks. Evaluation criteria are provided with indicators and guidelines for self-assessment. Based on the results of the self-assessment, on-site due diligence and interviews may be further conducted. Furthermore, to ensure the objectivity of self-assessment and on-site due diligence, an independent third-party audit may take place. In cases where 'high-risk' or 'inappropriate' issues are identified, plans for immediate improvement may be demanded. LS ELECTRIC regularly reviews and revises its evaluation criteria to accurately assess the current status of its human rights management.

## II. Risk Improvement

### ① Establishment of Improvement Plans

Based on the risk assessment of human rights, LS ELECTRIC may establish specific improvement plans for organizations identified to possess potential human rights risks.

### ② Monitoring the Implementation of Improvement Plans

LS ELECTRIC shall continuously monitor whether the personnel or organizations responsible, who have undergone human rights risk assessments, are diligently implementing the improvement plans. Regular communication shall be maintained to ensure that specific tasks are progressing according to schedule, and that necessary actions can be taken in advance if there is a risk that the improvement measures may not be implemented.

## III. Reporting of Status and Results

### ① Internal Reporting

LS ELECTRIC shall report significant human rights risks and the progress of its improvement plans to key executives and other major decision-making committees. Reports approved by key executives or decision-making committees may be shared with relevant departments to enhance the effectiveness of human rights management.

### ② External Reporting

LS ELECTRIC shall disclose information on reported cases of human rights violations, human rights risk assessment results, and future plans for improvement through channels such as its website, sustainability reports, or a separate human rights booklet. The company is to select channels that are easily accessible and understandable for employees and other stakeholders.