

Ethical Marketing and Advertising Policy

Enactment: Jun. 2022

Policy Purpose

LG H&H pursues to realize a healthy and beautiful life and aims to become a creative consumer marketing company as the best lifestyle company.

Therefore, we have established this policy to practice moral values to ensure honesty and fairness and to avoid unethical and corrupt marketing/advertising practices by ethically executing activities that can satisfy consumer needs, such as marketing and advertising. This policy referred to the regulations of the broadcast advertisement review set by the Korea Communications Standards Commission.

Coverage

This policy shall apply to all LG H&H employees and third parties regardless of the location of their business sites. Third-party shall mean any individual or business partners cooperating with us in marketing/advertising-related business.

Maintaining dignity and complying with fairness

All our marketing/advertising communications shall be legal and honest and strive to maintain dignity. We shall practice authentic marketing communications and protect our customers from undue invasion by respecting their privacy and confidentiality based on our responsibility to consumers and society.

Furthermore, we shall promote fair competition and contribute to convenience in consumer life. We shall not use the following expressions to harm our customers' ethical feelings or emotions.

- 1 Expressions that downplay human dignity and life or promote violence, crime, or anti-social behavior**
- 2 Expressions that promote excessive fear or disgust or excessive body exposure, or obscenity or sensationalism**
- 3 Expressions that ridicule or make fun of a physical defect or weakness demean specific sex or make people feel sexually shamed**
- 4 Expressions of profanity using body or objects**
- 5 Expressions of inappropriate or excessive exposure of the body that may cause disgust or discomfort**
- 6 Other expressions that harm viewers' ethical feelings or emotions by inducing displeasure, disgust, etc.**

Regulations

Environment-related Advertising

- 1 We shall not use expressions that damage environmental protection in our advertising/marketing.
- 2 When expressing general and broad environmental properties and efficacy such as "no pollution," "low pollution," and "environmentally friendly," the scientific basis for the expression must be clear.
- 3 If marketing/advertisement claims the environmental advantages of products, it must check whether the environmental benefits are clear considering all processes of development, production, and disposal of advertising products and clarify restrictions.

Comparative advertisement

- 1 We shall not compare competitive products, services, or companies unfairly.
- 2 We shall clarify the target of comparison and comparison criteria and utilize appropriate content and methods of comparison.
- 3 We shall not criticize or slander the other party, even if the contents are true in comparing and asserting superiority or characteristics.
- 4 Test and experimental results cited in broadcast advertisements must use the same products (including samples) as the products concerned.

Authenticity and material citation

- 1 We shall clarify the content of marketing/advertisement and shall not include misleading, deceptive or exaggerated expressions in product ingredients, materials, content, specifications, efficacy, etc.
- 2 We shall not use expressions that excessively emphasize the convenience and advantages of the purchase and use of the product and make it difficult to understand the restrictions clearly.
- 3 We will not mislead consumers by omitting important information.
- 4 According to the notice of the Fair Trade Commission pursuant to Article 4 (1) of the 「Act on Fair Labeling and Advertisement」, we shall not announce important information that needs to be displayed in a way that makes it difficult for viewers to understand clearly, such as subtitled notices in overly small text or short or fast notices.

Protection of vulnerable customers and non-discrimination

- 1 We shall consider the possible impact on children, the elderly, the economically poor, and other vulnerable customers who may be substantially disadvantaged when reviewing and distributing our marketing/ advertisements.
- 2 We shall not include content in our marketing/advertising that may cause physical, mental, or moral harm to children and adolescents, such as character, emotion, and values.
- 3 We shall not use expressions in marketing/advertising that the possession of a product will change a child's abilities or behavior, or urge a child to purchase a product, or to urge parents, etc., to purchase the product.
- 4 We shall not use expressions that promote discrimination, prejudice, or conflict on the grounds of country, race, gender, age, occupation, religion, belief, disability, class, region, etc.

Responsibilities

Our marketing/advertising department shall be responsible for conducting all activities by this policy, and when a significant decision or a violation of this policy occurs, we shall work a consultation.

This policy shall extend to marketing partners and subcontractors, and we shall not work with partners who do not comply with this policy.

Education and Communication

LG H&H shall provide regular ethical marketing training to related employees, and all employees can check this policy through the in-house intranet.

Monitoring and reporting

LG H&H shall seek to regularly evaluate and improve internal and external control systems and procedures to ensure that this policy is continuously maintained and complied with, seek opinions from employees and customers, and strives to sustain operational transparency.