

Compliance with EU REACH regulation

■ What LGE is doing in terms of its suppliers

LGE is effectively managing its suppliers which provide parts or products to LGE to ensure that they comply with the EU REACH regulation.

We are verifying that the parts and products from suppliers meet the requirements of the regulation and we are also continuously supporting our suppliers.

LGE is now carrying out the following activities:

● Supplier chain management

- Guide and train suppliers to meet their obligations in accordance with the REACH regulation.
- Conduct Green Program audits to verify the supplier's handling of hazardous substances and restricted substances according to LGE standards.
- Obtain information on SVHCs from suppliers If concentration of SVHC in article above 0.1%(w/w)

● Materials management

- Develop materials management guidelines to manage hazardous substances, restricted substances and SVHCs.
- Collect and analyze material composition data and material safety data sheets throughout the supply chain.
- Systematically control and analyze data via the material management system.

■ Meet pre-registration and registration obligations

LGE is currently communicating with all of the companies in its supply chain regarding the new EU chemicals regulation, REACH^[1], now in force. (Further information and helpful guidance on REACH is available on the European Chemicals Agency website:

<http://echa.europa.eu>.)

We are writing to request a legally binding declaration stating that the substances provided to us by you are REACH-compliant. Our aim is to ensure effective REACH-compliance for all products that LGE places on the EU market.

We are proposing to identify all of the substances which LGE imports or purchases from inside or outside the EU. These substances will be pre-registered and registered on the ECHA system as required by the regulation. We will only purchase the substances registered to the ECHA.

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■ Provide information on Substances of Very High Concern (SVHC)

The REACH Regulation (REGULATION (EC) No. 1907/2006) defines Substances of Very High Concern ("SVHCs") as substances that are classified as: carcinogenic, mutagenic or toxic for reproduction ("CMR") Category 1 or 2, persistent, bioaccumulative and toxic ("PBT"), very persistent and very bioaccumulative ("vPvB"), endocrine disruptors, or those that raise other equivalent health and environmental concerns.

Pursuant to REACH, certain SVHCs have been, or will be, put on the "candidate list" for authorization. The "candidate list" can be updated at any time i.e. it is a "living list". As soon as an SVHC appears on the "candidate list", suppliers of articles containing the SVHC must forward information on the listed SVHC contained in the article (above a concentration of 0.1% w/w) to the industrial or professional user or distributor being supplied with the article (Article 33(1)). Suppliers must also, upon request, supply a consumer with the same information within 45 days of receipt of the request (Article 33(2)).

In order to comply with Article 33 of REACH, we are providing you with the following information about the SVHCs in LGE products.

Substance name	
CAS Number	
Classification and SVHC properties	
Concentration in the article	
Information on safe use, including safe disposal (if applicable)	

LG Electronics is obliged to provide "Substance of Very High Concern" (SVHC) information. This only applies if a substance included on the candidate list is present in an article in a concentration above 0.1% weight by weight, as per REACH.

■ Meet notification obligations

All articles manufactured in or imported into the EU, which contain SVHC above a concentration of 0.1% and which have a total SVHC mass/volume of 1 ton per year, must be notified to ECHA (European Chemicals Agency) by June 2011.

Notification is not required if the substance has already been registered for that use or where exposure to humans and the environment can be eliminated during normal conditions of use, including disposal. It is anticipated that substances used in electronic products will be registered by raw material manufacturers within the supply chain. LG Electronics will ensure that all SVHCs are notified to the European Chemicals Agency as required in order to comply with this requirement.