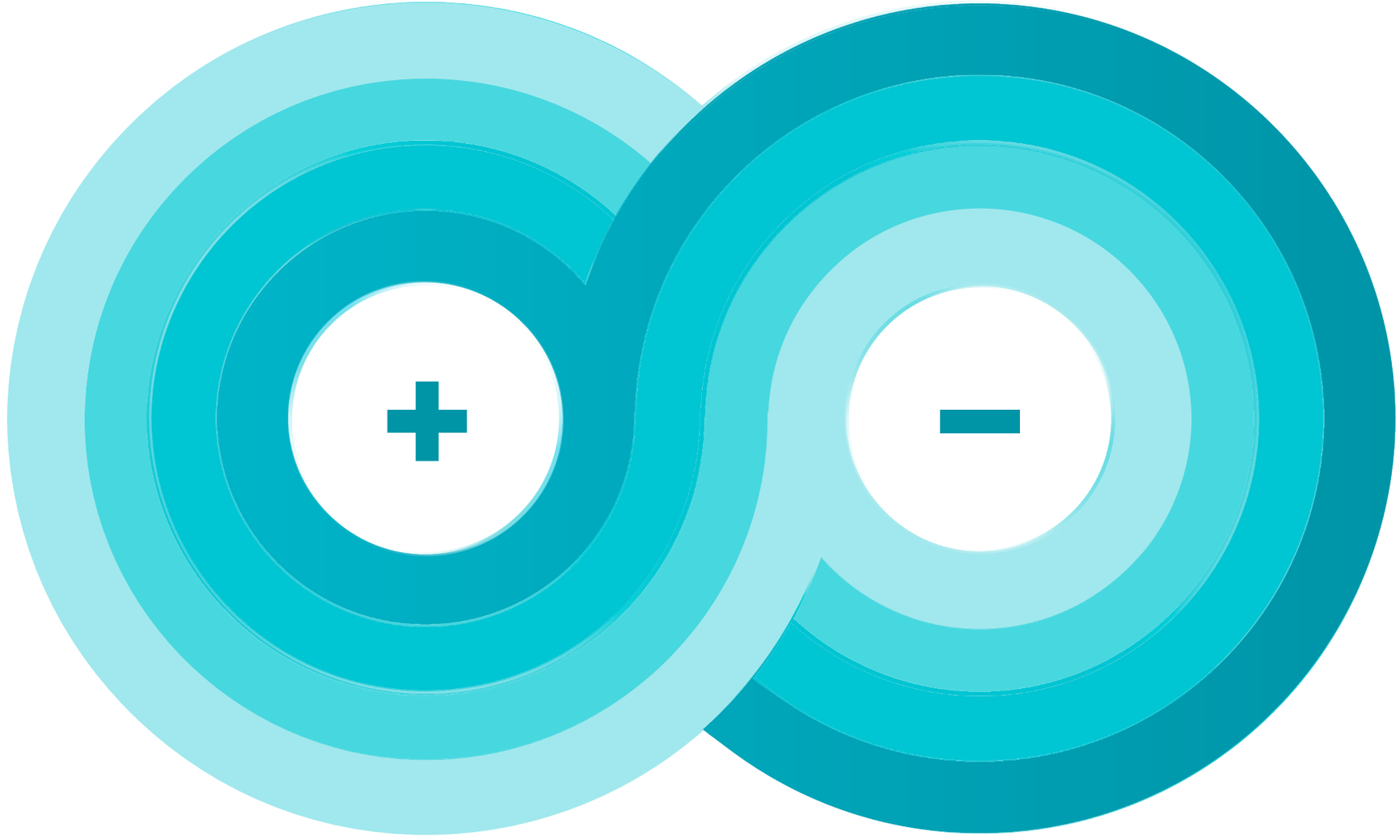
LG Energy Solution ESG REPORT 2025

Plus for Minus, Minus for Plus



LG Energy Solution

About this Report

Publisher
LG Energy Solution

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Related Information
LG Energy Solution Official Website
Sustainability Website
IR Website
Battery Inside

Reporting Period
January 1, 2025 – December 31, 2025
※ Some performances and activities from the first half of 2026 are also included.

Reference Materials
Company Brochure
Ensolpedia
Corporate Value-up Plan
Code of Conduct for Suppliers

Interactive PDF

This report has been published as an Interactive PDF, which includes functions to navigate to related pages within the report and directly access associated web pages.

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Go to First Page | Go to Next Page | Shortcut

Report Overview

LG Energy Solution has been publishing an ESG report annually since 2021. This report is published to share annual financial and non-financial performance with stakeholders, focusing on LG Energy Solution's ESG strategic framework.
Moving forward, LG Energy Solution will systematically manage the performance of its ESG business strategy and transparently disclose it to fulfill its responsibilities for ESG management in line with the expectations of various stakeholders.

Reporting Principles

This report has been prepared in accordance with the GRI (Global Reporting Initiative) Standards 2021, a globally recognized sustainability reporting framework. Financial information is based on the Company's consolidated financial statements prepared in accordance with K-IFRS, while the scope and reporting boundaries of non-financial information are separately specified where applicable.
In addition, the report considers disclosure principles incorporating the European Sustainability Reporting Standards (ESRS) and the industry-specific standards of the Sustainability Accounting Standards Board (SASB). It also reflects the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD).
Furthermore, the report includes information aligned with the Ten Principles of the United Nations Global Compact (UNGC) and the Sustainable Development Goals (SDGs).
However, the ESRS Sector-specific Standards were not reflected in this report, as they had not yet been formally adopted at the time of reporting.

Reporting Period

This report focuses on quantitative and qualitative activities and performance from January 1, 2025, to December 31, 2025, and also includes some details up to the first half of 2026. For quantitative performance, three-year data from 2023 to 2025 is disclosed to enable comparison of quantitative data.

Reporting Boundary

This report covers all domestic and overseas sites on a consolidated financial statement basis, and the reporting boundary was established by applying the same Operational Control criteria as the internal accounting management system. In addition, even for joint ventures subject to the equity method, if LG Energy Solution has substantial operational control, their performance is included in the reporting boundary. Please refer to page 10 for the detailed reporting boundary. Furthermore, the classification of short-, medium-, and long-term mentioned in the report, including some environmental performance, may differ from the data boundary of the ESRS standards depending on the strategy for each ESG topic. Data with different reporting boundaries or changes from previous reports are indicated separately, and related details can be found on page 151. Some indicators (e.g., Scope 3 GHG emissions, value chain employee-related indicators, etc.) are calculated using data from across the entire value chain, and the level of reflection in the calculation may vary depending on the level of cooperation of external stakeholders (data provision boundary, provision cycle, data reliability, etc.) and data availability.

Report Assurance

This report was assured in accordance with the international assurance standard AA1000AS v3 and received third-party assurance from BSI Group Korea Ltd. The assurance statement can be found on pages 162-163.

Inquiries Regarding the Report

If you have any inquiries regarding the report, please contact LG Energy Solution at the email address below.
ESG Team : esgteam@lgensol.com

Plus for Minus

ADD NATURE
ADD RESPONSIBILITY
ADD COMMUNICATION

LG Energy Solution seeks to create value for a sustainable future through its battery business, which contributes to the transition to clean energy, while continuously strengthening its ESG management practices.



Minus for Plus

REDUCE CARBON FOOTPRINT
REDUCE DISCRIMINATION
REDUCE CUSTOMARY PRACTICE

In each area of ESG, we strive to reduce unnecessary elements and enhance essential ones through establishing a circular system of Plus for Minus and Minus for Plus, to build a better future.

- E Value nature and reduce carbon,
- S Embrace responsibility and ban discrimination,
- G Minimize customary practice and foster communication, working toward creating a sustainable society.

Unlocking our infinite potential for the future generation, we will contribute to the pursuit of ESG in the global battery ecosystem by boldly facing today's challenges.

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Based on its advanced technological capabilities, LG Energy Solution develops core businesses for the future energy era, including Advanced Automotive Batteries, ESS Batteries, and Mobility & IT Batteries, as well as new business models such as EaaS (Energy as a Service) and BaaS (Battery as a Service).

This page visually represents the overall picture of the company and its vision for a sustainable future through a concentric circle structure that expands from a small circle to a larger one.

CEO Message

Dear LG Energy Solution Stakeholders,

Since last year, structural changes have been accelerating across the battery industry. The pace of growth in the electric vehicle market has moderated, while shifts in the policy environment and uncertainties in global supply chains have continued to reshape the industry's growth drivers and competitive standards. These shifts are driving a fundamental "Value Shift" across the battery industry.

Driven by growing investment in AI data centers, the Energy Storage System (ESS) market is emerging as a core component of future power infrastructure and creating new growth opportunities for the battery industry. At the same time, the value of batteries is being redefined across a wide range of emerging industries, including robotics driven by Physical AI, electric vessels, urban air mobility (UAM), and aerospace, creating new business opportunities and market segments.

In response to these changes, LG Energy Solution has strengthened its business fundamentals by pursuing portfolio rebalancing and operational efficiency. Rather than focusing on short-term performance, we have concentrated on strengthening our mid- to long-term competitiveness and reinforcing the fundamental value of our products, which remains resilient amid external uncertainties.

In particular, we are pursuing quality growth by enhancing the execution of our business portfolio to respond swiftly to changes in customers and markets. We are diversifying our lineup by establishing a mass production system for EV 46-Series batteries and preparing LMR prismatic batteries. We are also accelerating the development of next-generation technologies, including dry electrode processes, all-solid-state batteries, and sodium-ion batteries, while preparing for North America-centered production of prismatic LFP batteries for ESS. At the same time, we are strengthening our structural cost competitiveness through investments in raw material sourcing and the establishment of a closed-loop recycling system.

We are also focused on executing AI Transformation (AX) to innovate the way we work and the way we manufacture. By leveraging data and AI, we are enhancing efficiency across product development, manufacturing, and operations while advancing our decision-making processes, creating an environment where employees can focus on higher-value, mission-critical work. This transformation goes beyond the adoption of technology and fundamentally redefines how we create value and compete.

ESG is a fundamental driver of competitiveness and must be embedded throughout our business strategy and execution. It has become an important standard that determines corporate sustainability and stakeholder trust. LG Energy Solution is further reinforcing its ESG management system to navigate the rapidly evolving ESG environment.

First, we are strengthening our capabilities to proactively respond to global ESG regulations. As major regulations, including the EUBR, EU CSDDD, UFLPA, and EU CSRD, move into full implementation, the secondary battery industry is being required to meet higher standards than ever before, including stronger carbon regulations, supply chain stability, and transparency in product information and disclosures. LG Energy Solution will closely monitor relevant regulatory trends and actively communicate with regulatory authorities and key stakeholders to further strengthen its response capabilities.

Second, we are continuously strengthening supply chain ESG management. We will manage geopolitical risks, human rights, and raw material sourcing issues across the global supply chain in an integrated manner, while building a stable operating system based on sustainable partnerships with suppliers. In addition, we will further advance our internal control and compliance management systems, centered on the Fair Trade Compliance Program.

Third, we are strengthening our climate change response across our products and operations. We continue our efforts to enhance greenhouse gas emissions management, expand renewable energy use, and advance the transition to low-carbon production processes. These efforts are expected to go beyond regulatory compliance, driving improvements in energy efficiency and cost structures, and laying the foundation for enhanced competitiveness. Furthermore, we will systematically manage key data, including carbon footprints, and seamlessly integrate data-driven disclosures with product information throughout the entire process from design and production to supply, thereby enhancing the reliability and transparency of information.

Lastly, we are establishing a transparent and accountable governance and disclosure system. This year, we appointed an independent director as the Chair of the Board, further strengthening our board-centered decision-making system and internal control functions. Through this, we aim to manage ESG risks more proactively and solidify a responsible management foundation. In addition, we will advance ESG disclosures in a way that connects quantitative data with financial impacts, and provide trustworthy information to stakeholders, including investors and customers, in a more transparent and timely manner.

Going forward, LG Energy Solution will continue to enhance its competitiveness and sustainability through ESG. As battery applications expand beyond electric vehicles into diverse industries, including energy, robotics, and aviation, we will build a future-ready business founded on fundamental competitiveness that remains resilient in the face of change.

Over the past 30 years, LG Energy Solution has shaped the history of the battery industry through relentless challenge and determination. Moving forward, guided by our accumulated capabilities and our vision of "Empower Every Possibility," we will further strengthen the foundation for sustainable growth and continue our journey toward a better future.

We sincerely appreciate your continued trust and support.

Thank you.

June 2026
Kim, Dong Myung (David)
CEO, LG Energy Solution



About LG Energy Solution

Since commencing battery research and development in 1992, LG Energy Solution has dedicated its efforts to developing next-generation batteries and securing differentiated materials technologies. Following its spin-off from LG Chem in December 2020, the Company has operated across the global lithium-ion battery market and continues to expand opportunities in the next-generation energy sector through continuous innovation, leveraging its technological capabilities and global production network.

Corporate Overview

Company Name	LG Energy Solution
Establishment	December 2020
CEO	Kim, Dong Myung
Headquarters Address	Parc1 Tower 1, 108 Yeoui-daero, Yeongdeungpo-gu, Seoul
Business Areas	Advanced Automotive Battery, Mobility & IT Battery, ESS Battery
Website	www.lgensol.com

LG Energy Solution has made the development of battery technologies for a sustainable future a core strategic priority and engages in the research, development, manufacturing, and sale of battery-related products used in EVs (Electric Vehicles), ESS (Energy Storage System), IT devices, power tools, and LEVs (Light Electric Vehicles). The Company operates a single business segment focused on energy solutions. LG Energy Solution has established a global business network spanning production, sales, and R&D in key global locations such as South Korea, the United States, Poland, and China. Products are manufactured at domestic and overseas production sites, with the majority of sales generated through direct sales by the headquarters and overseas production sites.

On a consolidated basis, LG Energy Solution achieved sales of approximately KRW 23.6718 trillion and an operating profit of approximately KRW 1.3461 trillion in 2025, growing into a leading global company in the energy solution industry through continuous battery R&D, new product launches, and quality innovation. From a mid- to long-term perspective, the EV battery market is expected to maintain its growth momentum as EV prices stabilize to levels comparable to internal combustion engine vehicles, and concerns regarding mileage and safety are resolved. In addition, the ESS market is projected to grow steadily, driven by the expansion of renewable energy and power demand from big tech and AI companies.

In addition to EV and ESS, battery demand is expected to continuously increase due to the expansion of new business areas. To remain a leading company in the high-growth battery market, LG Energy Solution will thoroughly prepare for the future through intensive R&D investment, and derive optimal solutions for each customer and portfolio by strengthening product safety and improving quality.

In addition, LG Energy Solution aims to strengthen its global operational competitiveness to ensure stable product supply for customers and continue advancing its sustainability initiatives. Moving forward, the Company will continue to place technology development at the core of its business strategy, further enhancing both sustainability and corporate competitiveness.

Credit Ratings

	Rating Agency	Credit Rating
Domestic	Korea Investors Service (KIS)	AA
	NICE Investors Service	AA
Overseas	S&P	BBB
	Moody's	Baa2

*As of the end of December 2025

ESG Scorecard

LG Energy Solution actively responds to ESG evaluations by domestic and international capital markets, including MSCI, S&P Global (DJSI), Sustainalytics, CDP Climate Change, and the Korea Institute of Corporate Governance and Sustainability (KCGS). Considering that ESG evaluations are based on data disclosed through corporate filings, websites, and institutional reports, the Company is strengthening disclosure of its ESG strategy and key performance to ensure evaluations reflect the level of its ESG management.

Evaluation Agency	Rating System	FY2022	FY2023	FY2024
MSCI	AAA, AA, A, BBB, BB, B, CCC	BB	BBB	BBB
S&P Global ESG Score	100 ~ 0	54 (94th Percentile) Included in DJSI Korea	66 (95th Percentile) Selected as DJSI Asia Pacific / Korea Industry Mover	69 (95th Percentile) DJSI Asia Pacific / Korea
Sustainalytics	0 ~ 50	24.1 (Medium risk)	22.1 (Medium risk)	22.4 (Medium risk)
Korea Institute of Corporate Governance and Sustainability (KCGS)	S, A+, A, B+, B, C, D	-	A*	A
CDP Climate change	A, A-, B, B-, C, C-, D, D-, F	A-	B	B

*Newly included in KCGS in 2024 (FY2023)

Financial Performance

[Financial Information by Business Segment]

Unit: Million KRW

Category	Amount
Revenue	23,671,759
Operating Profit	1,346,120
Net Income	80,803

Category	Amount
Liabilities	37,826,277
Equity	29,321,676
Assets	67,147,953

[Sales Performance]

Unit: Million KRW

Sales Type	Product		2023	2024	2025
Products, Goods	EV batteries, ESS batteries, Mobility & IT batteries,	Export Sales	20,090,645	12,782,637	9,858,277
		Domestic Sales	13,654,825	12,836,948	13,813,482
		Total	**33,745,470**	**25,619,585**	**23,671,759**

[Consolidated Income Statement]

Unit: Million KRW

Classification	2023	2024	2025
Revenue	33,745,470	25,619,585	23,671,759
Cost of Sales	28,802,437	22,213,605	19,439,651
Gross Profit	**4,943,033**	**3,405,980**	**4,232,108**
Other Operating Income	676,874	1,480,020	1,646,811
Selling and Administrative Expenses	3,456,673	4,310,613	4,532,799
Operating Profit	**2,163,234**	**575,387**	**1,346,120**
Financial Income	984,984	1,048,343	1,018,109
Financial Expenses	857,201	1,260,579	1,104,405
Share of Profit or Loss of Associates and Joint Ventures	(32,450)	(49,118)	(1,901)
Other Non-operating Income	1,125,846	858,811	1,073,060
Other Non-operating Expenses	1,340,953	823,973	1,916,859
Income (Loss) Before Income Taxes	2,043,460	348,871	414,124
Income Tax Expense	405,475	10,269	333,321
Net Income (Loss)	**1,637,985**	**338,602**	**80,803**
Net Income (Loss) Attributable to			
Owners of the Parent	1,237,180	(1,018,741)	(1,072,810)
Non-controlling Interests	400,805	1,357,343	1,153,613
Earnings (Loss) per Share Attributable to Parent Company Shareholders			
Basic and Diluted Earnings (Loss) per Share (Unit: KRW)	5,287	(4,354)	(4,585)

[Status of Consolidated Subsidiaries]

Subsidiaries

Company Name	Ownership Stake	Location	Business Sector
LG Energy Solution (Nanjing) Co., Ltd.	100%	China	Manufacturing and sales of Mobility & IT batteries
LG Energy Solution Michigan Inc.(*1)	100%	US	Manufacturing and sales of secondary batteries
LG Energy Solution Battery (Nanjing) Co., Ltd.	100%	China	Manufacturing and sales of secondary batteries
LG Energy Solution Wroclaw sp. z o.o.	100%	Poland	Manufacturing and sales of secondary batteries
LG Energy Solution Australia Pty Ltd.	100%	Australia	Sales of Energy Storage System batteries
LG Energy Solution Technology (Nanjing) Co., Ltd.	100%	China	Manufacturing and sales of secondary batteries
Ultium Cells Holdings LLC(*2)	50%	US	Manufacturing and sales of Advanced Automotive batteries
Ultium Cells LLC(*2)	50%	US	Manufacturing and sales of Advanced Automotive batteries
LG Energy Solution Europe GmbH	100%	Germany	Sales of Energy Storage System batteries, etc.
LG Energy Solution (Taiwan) Ltd.	100%	Taiwan	Sales of Mobility & IT batteries, etc.
Areumnuri	100%	Korea	Facility management and general cleaning services
LG Energy Solution Fund I LLC	100%	US	Venture capital investment
LG Energy Solution Vertech Inc.	100%	US	Installation services for Energy Storage System batteries
LG Energy Solution Arizona, Inc.	100%	US	Manufacturing and sales of Mobility & IT batteries, etc.
Baterias De Castilla, S.L.	100%	Spain	Others
L-H Battery Company, Inc.	51%	US	Manufacturing and sales of Advanced Automotive batteries
LG Energy Solution India Private Limited	100%	India	Sales of Mobility & IT batteries, etc.
LG Energy Solution Arizona ESS, Inc.	100%	US	Manufacturing and sales of Energy Storage System batteries
NextStar Energy Inc.	100%	Canada	Manufacturing and sales of secondary batteries
LG Energy Solution Fund II LLC	100%	US	Venture capital investment
HL-GA Battery Company LLC(*3)	50%	US	Manufacturing and sales of Advanced Automotive batteries
LG Energy Solution Japan Co., Ltd.	100%	Japan	Sales of Energy Storage System batteries, etc.
PT. HLI Green Power(*4)	50%	Indonesia	Manufacturing and sales of Advanced Automotive batteries
LG Energy Solution China Co., Ltd.(*5)	100%	China	Management support services, etc.
Xensol Energy(Nanjing) Co.,Ltd(*6)	-	China	Manufacturing and sales of secondary batteries

※ Based on the quarterly report disclosed in May 2026

Corporate History

Lithium-ion battery research started in 1992, marking the beginning of Korea's battery industry.



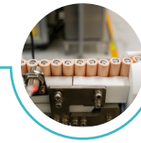
1947
Founded Lucky Chemical Co., Ltd.
(Beginning of LG Group)



1992
Initiated lithium-ion battery research



1996
Started lithium-ion battery development



1999
Commenced mass production of cylindrical lithium-ion batteries



2000
Established a U.S. R&D entity



2004
Completed construction of Nanjing Plant in China



2009
Supplied batteries for the world's first mass-produced EV (GM Volt)



2012
Completed construction of EV battery plant in the US



2013
Developed the world's first Future Batteries*
* Stepped, Curved, Wire Battery



2015
Launched mass production of ESS battery cells



2017
Completed construction of EV battery plant in Poland



2018
Developed the world's first Free-Form Battery



2020
Established 'Ultium Cells', an EV battery JV with GM

2020
Launched LG Energy Solution



2021
Established PT. HLI Green Power an EV battery JV with Hyundai Motor Group



2023
Established L-H Battery Company, an EV battery JV in the US with Honda Motor Co. Ltd., Established HL-GA Battery Company, an EV battery cell JV in the US with Hyundai Motor Group



2024
Groundbreaking for the Arizona plant in the US

2024
Launched BMTS* brand 'B.around'
* Battery Management Total Solution

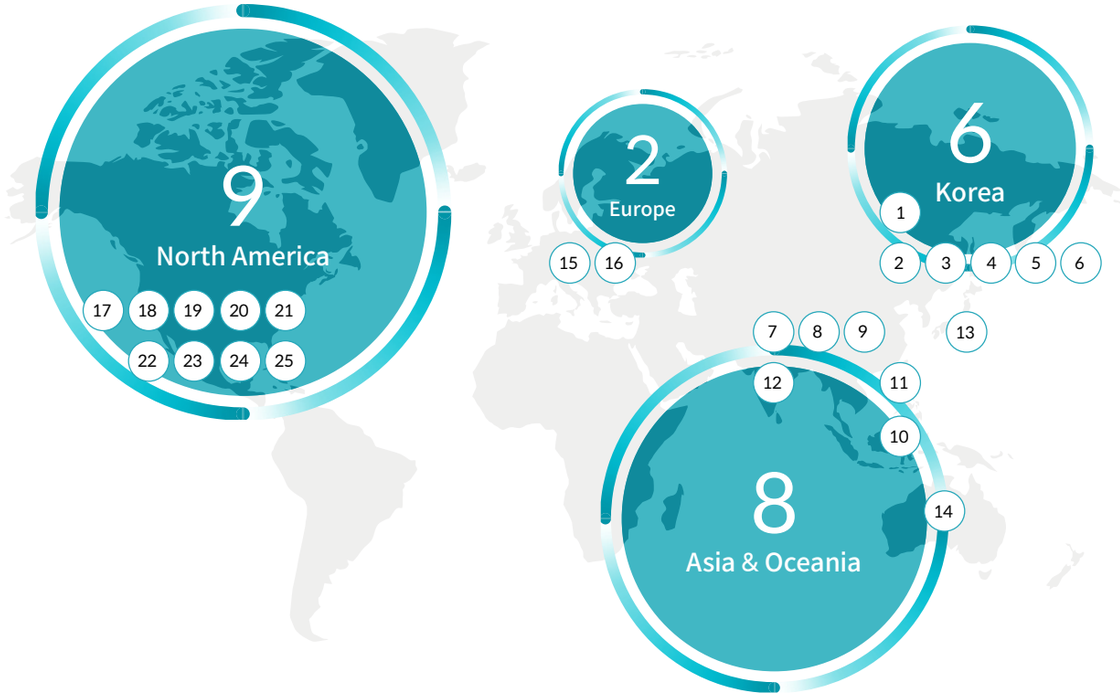


2025
Commenced large-scale production of LFP batteries for ESS in the US

2025
Launched 'B.once', an EV battery evaluation service

Global Business Network

LG Energy Solution continues to expand its manufacturing, R&D, and sales sites across key global regions, including the United States, Europe, and China, in addition to Korea. Of its approximately 32,000 employees worldwide, around 20,000 employees, representing approximately 63% of the workforce, work at overseas sites (as of December 2025).



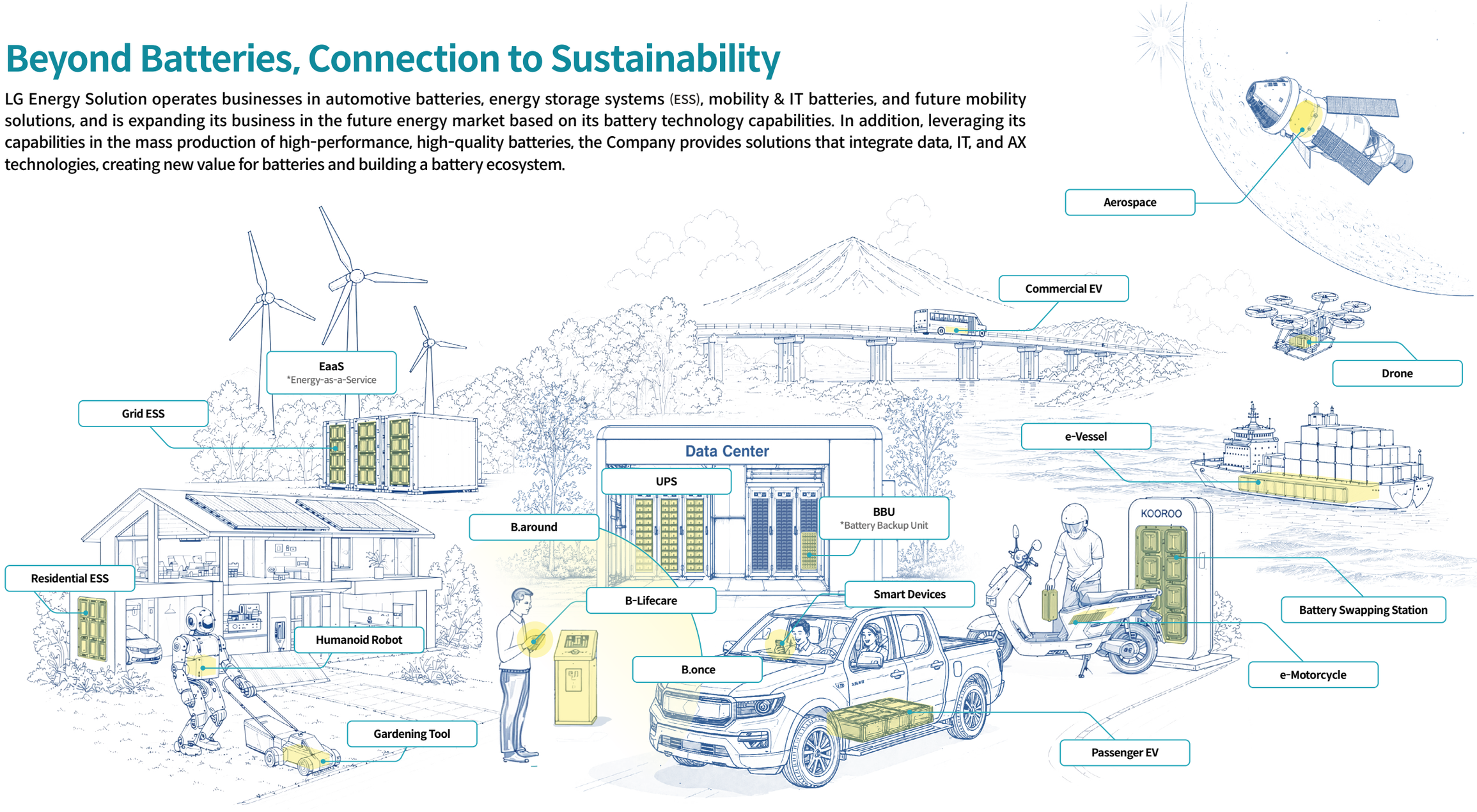
Total	Headquarters	Manufacturing Sites	R&D Sites	Sales Sites	Joint Ventures
25	1	10	3	6	5

No.	Region	Entity Name	Abbreviation	Location	Category	Operational Status
1	Korea	Headquarters	Headquarters	Seoul, Korea	Headquarters	Operational
2		Ochang Energy Plant 1	Ochang Energy Plant 1	Ochang, Korea	Manufacturing	Operational
3		Ochang Energy Plant 2	Ochang Energy Plant 2		Manufacturing	Operational
4		R&D Campus Daejeon	R&D Campus Daejeon	Daejeon, Korea	R&D	Operational
5		R&D Campus Gwacheon	R&D Campus Gwacheon	Gwacheon, Korea	R&D	Operational
6		R&D Campus Magok	R&D Campus Magok	Seoul, Korea	R&D	Operational
7	Asia & Oceania	LG Energy Solution (Nanjing) Co., Ltd.	LGESNJ	Nanjing, China	Manufacturing	Operational
8		LG Energy Solution Battery (Nanjing) Co., Ltd.	LGESNA		Manufacturing	Operational
9		LG Energy Solution Technology (Nanjing) Co., Ltd.	LGESNB		Manufacturing	Operational
10		PT. HLI Green Power	PT. HLI Green Power	Karawang, Indonesia	Joint Venture	Operational
11		LG Energy Solution (Taiwan) Ltd.	LGESTW	Taipei, Taiwan	Sales	Operational
12		LG Energy Solution India Private Limited	LGESIL	New Delhi, India	Sales	Operational
13		LG Energy Solution Japan Co., Ltd.	LGESJP	Tokyo, Japan	Sales	Operational
14		LG Energy Solution Australia Pty Ltd.	LGESAU	Victoria, Australia	Sales	Operational
15	Europe	LG Energy Solution Wroclaw sp. z o.o.	LGESWA	Wrocław, Poland	Manufacturing	Operational
16		LG Energy Solution Europe GmbH	LGESEG	Sulzbach, Germany	Sales	Operational
17	North America	LG Energy Solution Michigan Inc.	LGESMI	Michigan, US	Manufacturing	Operational
18		NextStar Energy Inc.	LGESOT	Ontario, Canada	Manufacturing	Operational
19		Ultium Cells LLC	Ultium Cells 1	Ohio, US	Joint Venture	Operational
20			Ultium Cells 2	Tennessee, US	Joint Venture	Operational
21		LG Energy Solution Vertech Inc.	LGESVT	Massachusetts, US	Sales, SI	Operational
22		L-H Battery Company, Inc.	L-H Battery Company	Ohio, US	Joint Venture	Operational
23		HL-GA Battery Company LLC	HL-GA Battery Company	Georgia, US	Joint Venture	Operational
24		LG Energy Solution Arizona, Inc.	LGESAZ	Arizona, US	Manufacturing	Under Construction
25		LG Energy Solution Arizona ESS, Inc.	LGESAE		Manufacturing	

※ Entities are classified based on internal management standards as of June 2026, and both official names and abbreviations are used in this ESG Report.

Beyond Batteries, Connection to Sustainability

LG Energy Solution operates businesses in automotive batteries, energy storage systems (ESS), mobility & IT batteries, and future mobility solutions, and is expanding its business in the future energy market based on its battery technology capabilities. In addition, leveraging its capabilities in the mass production of high-performance, high-quality batteries, the Company provides solutions that integrate data, IT, and AX technologies, creating new value for batteries and building a battery ecosystem.

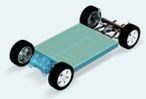


Automotive / Mobility Battery

Empower Wherever You Go

LG Energy Solution continues to strengthen its position in the global electric vehicle market by introducing products developed to enhance energy density and driving range, leveraging its accumulated battery R&D capabilities and global manufacturing network. Through continuous research into battery materials and innovation in design and processes, the Company continues to enhance product safety, performance, and efficiency, while expanding into new markets such as electric buses, electric trucks, and electric vessels.

Passenger EV **Commercial EV** **LEV** **Heavy Equipment**



Electric Vehicles



Electric Buses



Electric Motorcycles



Electric Forklifts

Energy Infra

Empower Whenever You Need

LG Energy Solution offers a diverse battery lineup that meets a wide range of customer needs, supported by its battery manufacturing capabilities. Based on high-capacity LFP cells with high energy density and safety, the Company provides energy solutions designed to support space utilization, operational efficiency, and user convenience through its system integration (SI) capabilities. With diversified global production and operating sites, LG Energy Solution supports compliance with regional regulations as well as customers' localization strategies, thereby strengthening its competitiveness in the ESS market. In addition, the Company has secured technologies for repurposing end-of-life batteries for ESS applications and continues to build technological capabilities and operational know-how in the battery reuse sector.

ESS



Grid



Residential



C&I



UPS

Specialty / Future

Empower Whatever You Have

LG Energy Solution offers a wide range of battery lineups, including cylindrical batteries with standardized sizes for broad applicability and pouch-type batteries designed to minimize constraints on size and shape. With these diverse products and space-efficient designs, the Company supports innovation in cordless devices such as laptops, power tools, and wireless vacuum cleaners. Furthermore, leveraging its battery technology capabilities, LG Energy Solution is expanding battery applications into future technology sectors such as drones, robotics, and aerospace, while contributing to the development of the Battery of Things (BoT) ecosystem, where batteries are integrated into a wide range of everyday applications.

IT Smart Devices **Power Tools** **Robots** **Future Mobility**



Smartphones



Power Tools



Humanoids

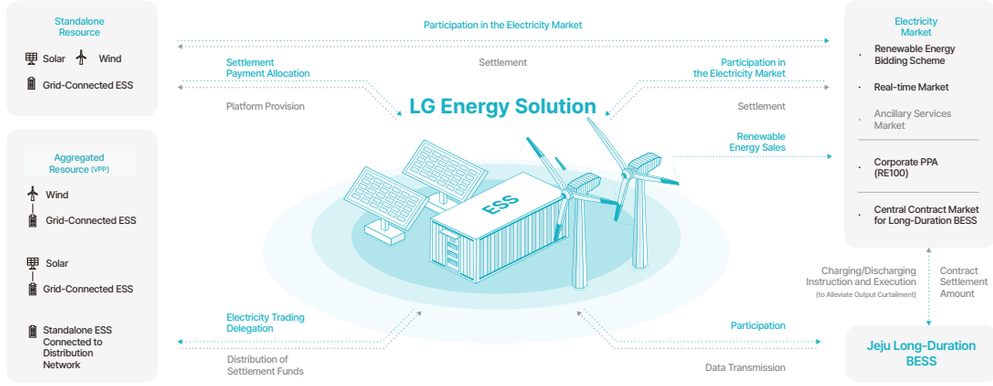


Drones

EaaS

Energy-as-a-Service

Beyond the simple production and consumption of energy, LG Energy Solution provides integrated solutions encompassing generation, storage, trading, and optimization. By leveraging AI-based technologies and extensive experience in operating ESS and renewable energy systems, the company continues to expand its geographic coverage and the scope of its energy services.



Electricity Trading Brokerage Services

Leveraging its ESS- and ICT-based Virtual Power Plant (VPP) platform, LG Energy Solution provides energy trading brokerage services that connect renewable energy power plants with the electricity market. The Company also facilitates various demonstration projects, including the development of standalone ESS power plants and the use of ESS to alleviate nighttime peak loads, while contributing to grid stability and the improvement of related systems and regulations.

ESS SI Vertech

Through its subsidiary LG Energy Solution Vertech, LG Energy Solution provides total solutions across the entire project lifecycle, from battery manufacturing and system integration to remote monitoring and facility maintenance. The Company leverages its internally developed software and more than 15 years of global operating data to deliver services to customers.

BaaS

Battery-as-a-Service

LG Energy Solution has continuously expanded its battery business based on its accumulated technological expertise and operational experience. Building on this foundation, the Company is expanding beyond battery manufacturing into software and services, aiming to lead the future of the energy market as a Total Solution Provider that covers the entire battery lifecycle.

B.around

Powered by LG Energy Solution's Battery Management Total Solution (BMTS), this integrated service platform provides real-time battery monitoring and precise analytics across the battery lifecycle. By accurately diagnosing battery conditions, the platform supports optimized and efficient battery operation.

B-Lifecare

B-Lifecare is a customized battery management app service that supports EV users throughout the entire battery lifecycle, from battery use and diagnostics to management and utilization, through a user-centric approach.
B-Lifecare analyzes EV users' driving habits, charging patterns, and operating conditions to provide information that can be used for battery management through key indicators such as real-time driving range, changes in energy efficiency, and battery stress index, while enhancing the overall EV user experience.
The service is currently expanding through collaborations with automotive finance companies, vehicle maintenance providers, and used-car distributors. Going forward, LG Energy Solution plans to strengthen connections with insurance companies, charging infrastructure operators, and mobility platforms to help build and lead an integrated battery lifecycle management ecosystem.

B.once

B.once enables users to easily assess the remaining performance and lifespan of an EV battery through a single inspection, without removing the battery from the vehicle. With just one scan, the service quickly checks the battery's current condition, including its State of Health (SoH), voltage, temperature, and fault information. It can be effectively used for vehicle valuation and quick inspections, including used car transactions and regular vehicle maintenance.

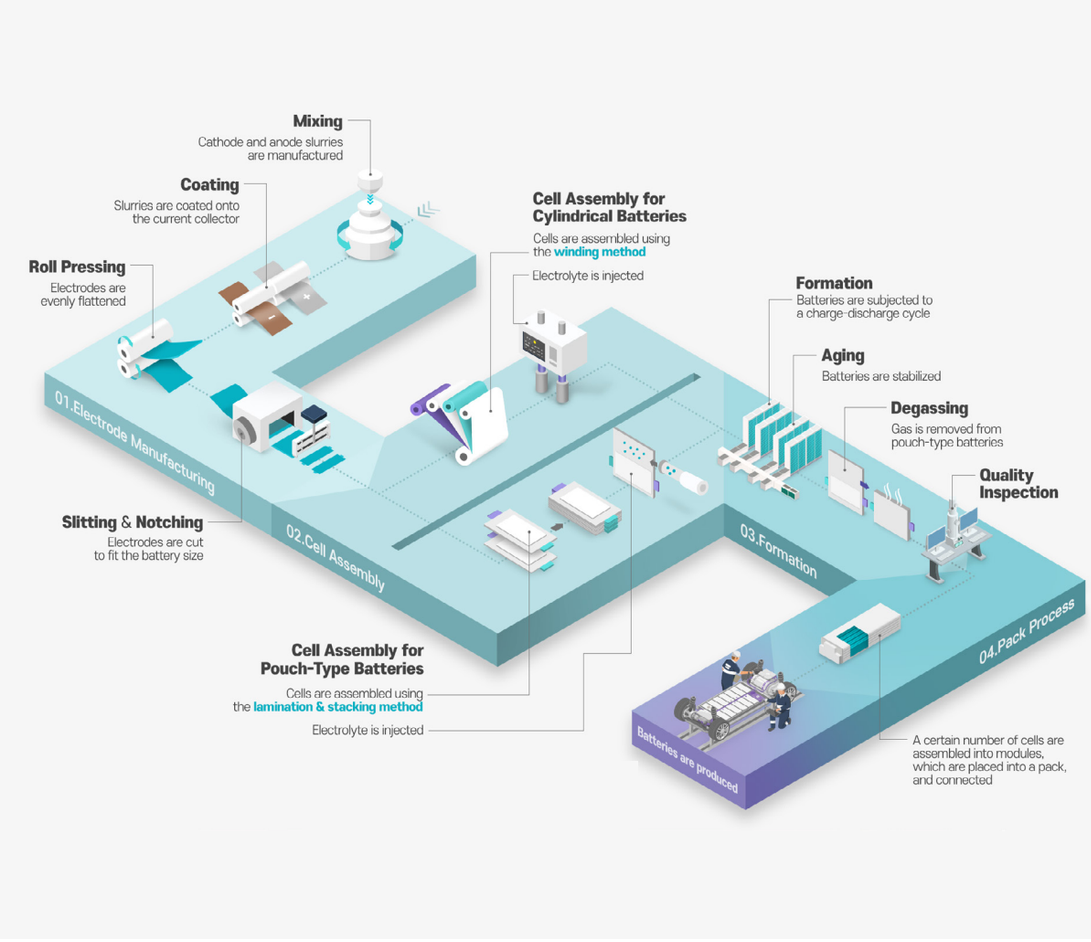
KooRoo

The service enables discharged batteries to be instantly exchanged for fully charged batteries at Battery Swapping Stations (BSS), enhancing charging convenience for electric scooter users. In particular, the Company operates a battery swapping infrastructure with stations located approximately 1 km apart on average, based on AI-driven analysis of electric scooter users' driving data and battery pack replacement frequency.

Battery Manufacturing Process

The battery manufacturing process consists of four stages: electrode manufacturing, cell assembly, formation, and pack assembly.

Battery Inside



STEP 1

Electrode Manufacturing Process

The electrode manufacturing process is a critical step in producing the cathodes and anodes that enable electrochemical reactions in lithium-ion batteries. It consists of Mixing, Coating, Roll Pressing, and Slitting & Notching.
During Mixing, cathode and anode active materials are blended with solvents and conductive additives to produce slurry. In the Coating step, cathode slurry is applied to aluminum foil and anode slurry to copper foil to form electrodes. The coated electrodes are then compressed and flattened through Roll Pressing. Finally, Slitting & Notching cuts the electrodes to the required battery specifications and forms V-shaped notches and cathode and anode tabs, completing the process.

STEP 2

Cell Assembly Process

The cell assembly process involves combining the cathode and anode plates produced during electrode manufacturing with separators and electrolytes, completing the external form of batteries such as cylindrical, pouch-type, and prismatic types.
The process begins with removing trace moisture from the cathode and anode plates before stacking them. The sequence of electrode stacking, electrolyte injection, and sealing differs depending on the battery type, and the technologies applied may vary by manufacturer. Electrode stacking methods are generally classified into winding, where electrode plates are rolled, and stacking, where electrode plates are laid flat and layered. Winding is used for cylindrical and prismatic batteries, while stacking is used for pouch-type batteries.
Once the electrode plates are stacked according to the battery type, the electrodes and separators are combined to form intermediate products such as Mono-Cells and Bi-Cells, followed by electrolyte injection and sealing.

STEP 3

Formation Process

The formation process activates the battery's electrical energy and verifies stability through repeated aging and charge-discharge cycles. For pouch-type batteries, gases generated by electrolyte side reactions during the initial charging process are removed through degassing.
Quality inspections are then conducted before pack assembly. Battery performance, including capacity and resistance, is checked during charge-discharge cycles, and low-voltage cells are identified through OCV (Open-Circuit Voltage) measurement after a storage period. The final EOL (End of Line) process includes performance verification and visual inspection.

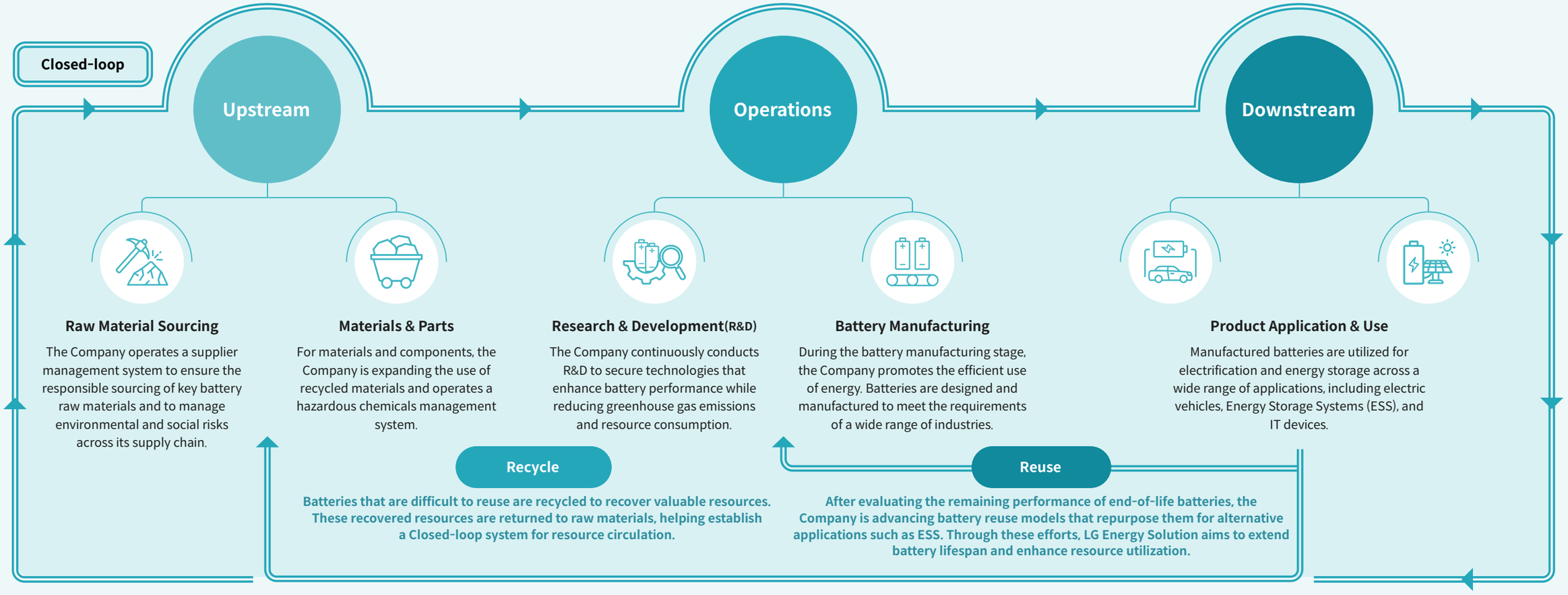
STEP 4

Pack Assembly Process

The pack assembly process modularizes battery cells according to each vehicle model for installation in electric vehicles. Multiple battery cells are connected in a cell-to-cell configuration and fixed within a module case. After the cells are connected and the upper module cover is assembled, the completed modules are connected in a module-to-module configuration and assembled into a battery pack, completing the battery manufacturing process.

Value Chain

LG Energy Solution is advancing supply chain management, technology R&D, manufacturing process improvements, and resource circularity initiatives across each stage of the battery value chain, spanning Upstream, Operations, and Downstream activities. In the Upstream stage, the Company operates responsible sourcing and materials and components management systems. In the Operations stage, it pursues R&D and manufacturing process improvements to secure technologies that can reduce greenhouse gas emissions and resource consumption. In the Downstream stage, it supplies batteries for a wide range of applications, including electric vehicles and ESS, while expanding the reuse and recycling of end-of-life batteries. Going forward, LG Energy Solution will continue to strengthen management capabilities across all stages of the value chain and expand the circular use of resources.



Technological Innovation

R&D Overview

Under its new corporate vision, “Empower Every Possibility,” LG Energy Solution aims to awaken every possibility for people, things, and the environment, and to build a better future. To achieve this vision, the Company provides innovative battery solutions across both EV (Electric Vehicle) and non-EV sectors. Beyond supplying battery products and technologies, LG Energy Solution is evolving into a Total Solution Provider by offering integrated solutions that encompass battery diagnostics, management software, and sharing models. To strengthen its competitiveness in the global battery market and achieve sustainable growth, the Company is pursuing the following key strategies.

- **Strengthening Tailored Product Portfolios and Technological Competitiveness**

  In response to customer demand in the premium battery market, the Company is developing core technologies to enhance fast-charging performance for high-energy-density batteries, improve safety, and advance safety diagnostics and detection capabilities. In addition, to address the entry-to-mid-range EV market, the Company is building a product portfolio with fundamental cost competitiveness through the timely adoption of key technologies that reduce both material and manufacturing costs.

- **Expanding Investment in New Technologies and Businesses for Future Growth**

  With the goal of commercializing BaaS (Battery-as-a-Service), the Company is focusing on the development of technologies that support the expansion of used EV assessment and EV inspection services. At the same time, the Company continues to increase its investment in R&D for next-generation batteries and other innovative technologies and products that will drive future growth.

- **Strengthening Battery Circularity**

  The Company manages environmental impacts across each stage of the battery value chain, from raw material sourcing to the manufacturing of materials, components, and battery cells. In addition, it develops technologies for battery reuse and recycling and pursues initiatives to expand the circular use of recovered resources.

Expanding R&D Investment and Workforce

LG Energy Solution is committed to continuous investment in R&D and the recruitment of talented professionals to help shape the future energy era.

- **R&D Investment**

  In 2025, the Company invested KRW 1.3275 trillion in R&D, representing a 22% increase year-on-year and accounting for 5.6% of annual revenue.

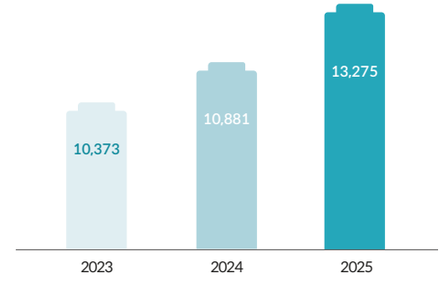
- **R&D Workforce**

  The number of R&D personnel increased to 5,073 in 2025, reflecting the Company’s continued efforts to strengthen its research capabilities through the recruitment and development of highly skilled talent.

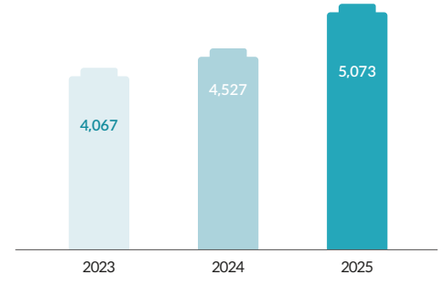
- **R&D Organization**

  The Company operates a systematic global R&D network comprising the CTO organization, including the Future Technology Center, which is responsible for advanced cell development, Pack/BMS development, and next-generation battery technologies, as well as dedicated research organizations for automotive batteries, small batteries, and ESS batteries across domestic and international locations.

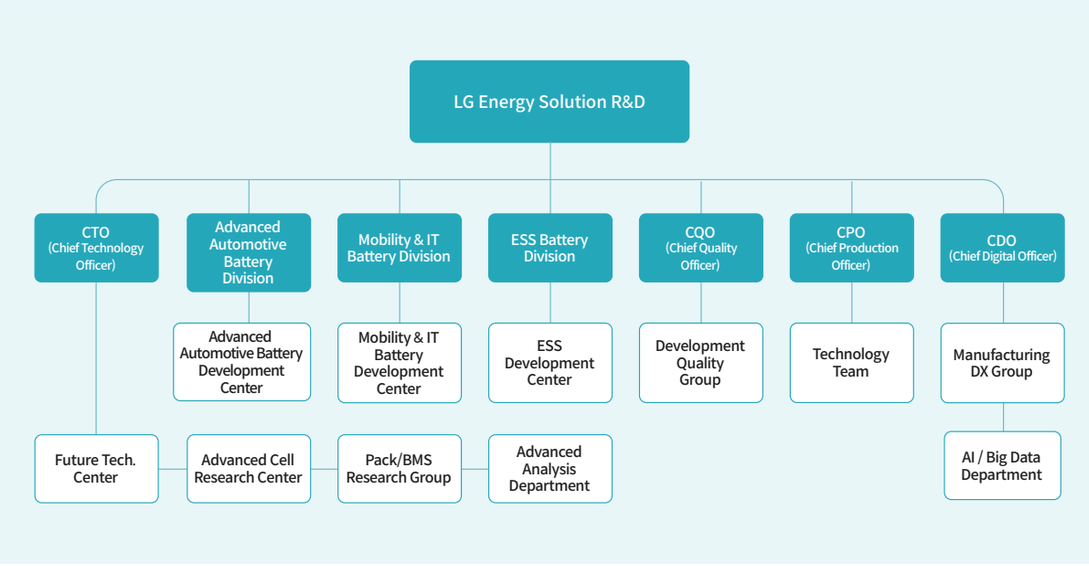
[R&D Investment] Unit: 100 million KRW



[R&D Workforce] Unit: Persons

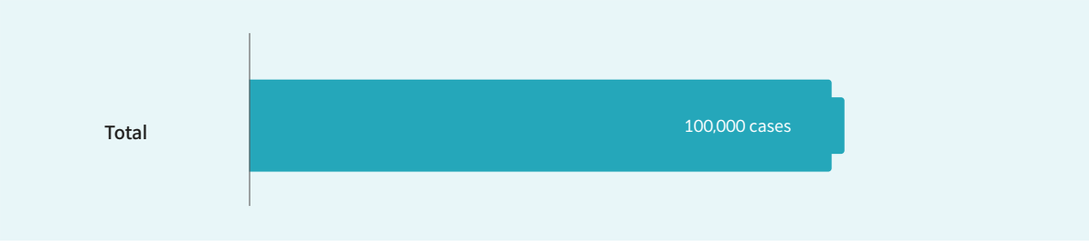


[R&D Organization]



- **Patent Portfolio**
  As of May 2026, LG Energy Solution held approximately 59,000 registered patents and 100,000 patent applications worldwide (based on internal records), demonstrating its strong global intellectual property competitiveness in the battery industry.

[Global Patent Applications]



※ As of May 2026, based on internal tracking

R&D Areas and Applications

LG Energy Solution is conducting research and development to secure advanced technologies and process technologies in the following key areas, while continuously strengthening business competitiveness.

- **Automotive:** Electric Vehicles (EVs), Plug-in Hybrid Electric Vehicles (PHEVs), Hybrid Electric Vehicles (HEVs)
- **ESS:** Grid, Residential, C&I, UPS.
- **Mobility & IT:** IT smart devices, Light Electric Vehicles (LEVs), Power tools, etc.
- **Future & New Markets :** Humanoid robots, Urban Air Mobility (UAM), etc.

Advanced Battery Technology Development

Diversification of Next-Generation Product Portfolio

46-Series Cylindrical Battery Technology

LG Energy Solution's 46-Series battery features next-generation technologies and structural optimization designed to significantly reduce internal resistance. It is designed to contribute to improved driving performance in electric vehicles by delivering high energy density and fast-charging capabilities.

- **Maximizing Energy Density and Simplifying Structure**
  The application of a large form factor increases energy capacity per cell while reducing the number of cells required within the battery pack, thereby simplifying the pack structure and electrical connections. Through these improvements, the battery contributes to achieving high energy density.
- **Enhancing Safety**
  It is designed with Directional Venting technology to help prevent thermal propagation, where heat is transferred to adjacent battery cells.
- **Expanding Application Areas**
  It is expected to be applied not only to mobility but also to various industrial fields in the future, creating new business opportunities.

HV Mid-Ni Pouch Cell Technology

High-voltage (HV) Mid-Ni pouch-type battery cells are designed to enhance energy density and reduce manufacturing costs by increasing the maximum operating voltage. To enable operation in high-voltage environments, optimized cathode coating technology and high-durability electrolytes have been applied. In addition, the Company is advancing efforts to reduce environmental impacts associated with manufacturing processes and raw material usage through the application of precursor-free technology, a next-generation cathode material technology, while striving to enhance cost competitiveness and sustainability value.

LMR Battery Technology

LMR (Lithium Manganese Rich) battery technology minimizes or eliminates the use of cobalt compared with conventional NCM (Nickel-Cobalt-Manganese) batteries and increases manganese content to approximately 60–65%. It is a next-generation battery technology designed to achieve price competitiveness comparable to LFP batteries while delivering high energy density.

LFP Cell-to-Pack (CTP) Technology

Compared with the conventional Module-to-Pack (MTP) approach, the solution reduces the number of components and simplifies the manufacturing process, while improving pack-level energy density. These structural enhancements are designed to contribute to extended driving range compared with battery packs based on LFP cells of the same volume and are expected to support the broader adoption of electric vehicles in the future.



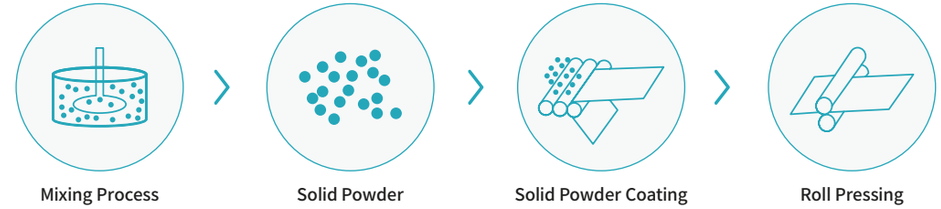
Electric vehicle applied with Cell-to-Pack (CTP)

Manufacturing Process and Material Innovation

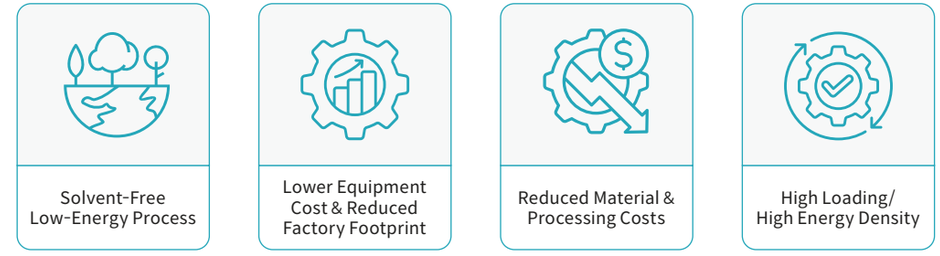
Dry Electrode Process Technology

The dry electrode process does not require solvent drying and recovery steps, unlike conventional wet processes. Leveraging these process characteristics, LG Energy Solution is conducting R&D with the aim of reducing energy consumption and greenhouse gas emissions, lowering capital investment costs and facility footprint, and improving production efficiency. In addition, the Company is advancing high-loading electrode technology to enhance battery energy density and extend electric vehicle driving range, and plans to expand the application of this technology beyond conventional lithium-ion batteries to next-generation battery platforms, including all-solid-state batteries.

[Dry Electrode Manufacturing Process]



[Strengths of Dry Electrode Process]



Safety and Intelligent Management Solutions

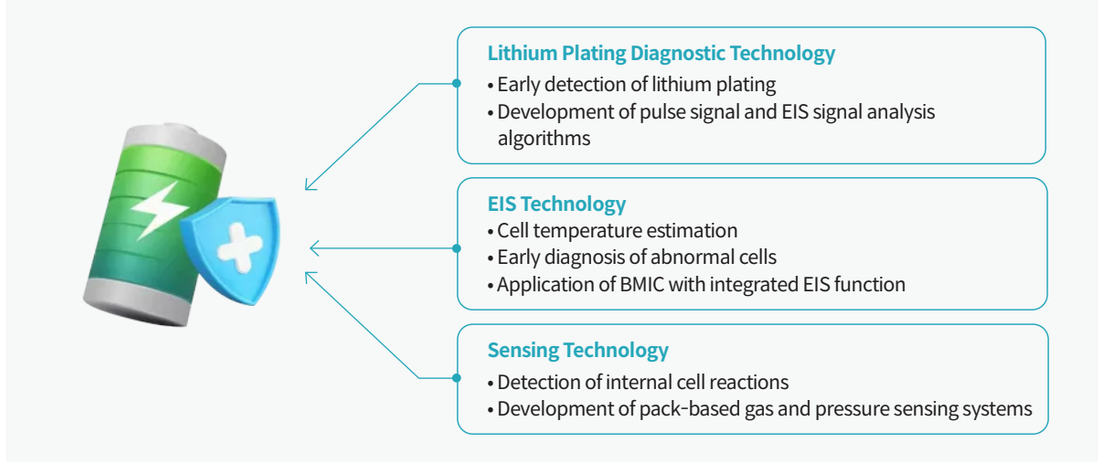
Thermal Propagation (TP) Prevention Technology

LG Energy Solution is continuously advancing battery safety technologies through a wide range of initiatives. In particular, the Company focuses on developing diagnostic technologies that can detect and prevent early warning signs associated with Thermal Propagation (TP). Key proactive safety diagnostic technologies include the following:

- **Lithium Plating Diagnostic Technology**
  This technology detects lithium plating, one of the main causes of TP, at an early stage. It precisely analyzes minute changes inside the cell using pulse signals and Electrochemical Impedance Spectroscopy (EIS).

- **EIS-Based Real-Time Monitoring Technology**
  It predicts temperature and detects abnormal signs early by analyzing changes in cell impedance. This function is integrated into the Battery Management Integrated Circuit (BMIC) and used to monitor cell status in real time.

- **Advanced Sensing Technology**
  It contributes to enhancing battery safety by directly detecting chemical and physical reactions inside the cell through gas and pressure sensors.



LG Energy Solution TP Prevention Technology

As such, LG Energy Solution's TP prevention technology is evolving into a proactive safety technology that not only blocks simple thermal propagation but also detects and prevents abnormal signs of batteries in advance.

B.around - Battery Management Total Solution (BMTS)

LG Energy Solution is committed not only to enhancing battery performance but also to improving product reliability and safety through systematic management systems. To strengthen its battery diagnostics and predictive capabilities, the Company has developed BMTS (Battery Management Total Solution), a next-generation battery management platform.

- **AI- and Cloud-Based Next-Generation Solution**
  By integrating AI and cloud technologies with conventional Battery Management System (BMS) monitoring functions, the Company has strengthened its data-driven analytical capabilities. This enables the rapid detection of potential risk factors and supports a framework for preventive management.

- **Advanced Safety Diagnostics and Lifetime Prediction**
  BMTS provides real-time, high-precision analysis of battery conditions through its core safety diagnostic and lifetime prediction technologies. By assessing remaining battery life and supporting optimal performance throughout the battery lifecycle, the solution delivers differentiated safety, reliability, and value to customers.



B.around

Future Innovative Technology Development

LG Energy Solution is focused on building a next-generation battery portfolio to effectively address evolving market needs and support long-term growth. Through continuous research on battery materials as well as design and manufacturing innovations, the Company aims to accelerate EV adoption and lead the transition to a sustainable energy future.

Next-Generation Batteries

STEP 1

All-Solid-State Battery

The Company is developing all-solid-state batteries utilizing sulfide-based solid electrolytes. It is pursuing R&D with the aim of achieving high energy density, safety, high-temperature durability, and productivity, and plans to expand the application of this technology to a wide range of industries, including premium electric vehicles (EVs), humanoid robots, and Urban Air Mobility (UAM), in the future.

STEP 2

Bipolar Battery

Bipolar batteries are a technology that enables high-voltage systems through a simplified structure. The Company is developing bipolar batteries with the aim of enhancing cost competitiveness, power performance, safety, and space utilization. It also plans to expand the application of this technology to Uninterruptible Power Supplies (UPS), Battery Backup Units (BBU), Hybrid Electric Vehicles (HEVs), and Electric Vehicles (EVs) in the future.

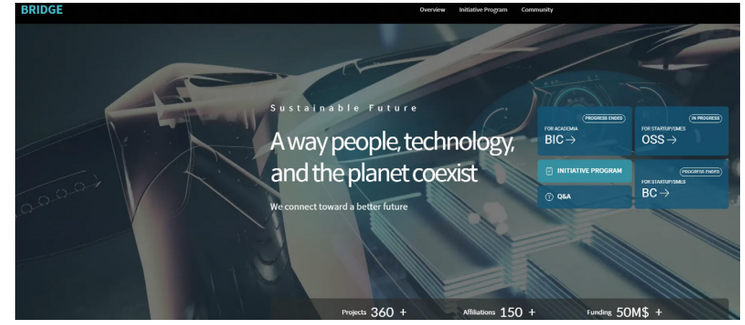
STEP 3

Sodium-Ion Battery

The Company is developing sodium-ion batteries that utilize sodium, an abundant resource, as an alternative to lithium, a relatively scarce metal, with the aim of reducing dependence on specific raw materials. It is also pursuing R&D to achieve safety, low-temperature power performance, and cost competitiveness, and plans to expand the application of this technology to 12V/24V starter and auxiliary batteries, Energy Storage Systems (ESS), Electric Vehicles (EVs), and industrial power applications in the future.

Open Innovation

LG Energy Solution is strengthening its leadership in next-generation battery technologies and enhancing strategic investments through close collaboration with academia, industry partners, and global startups. The Company operates various open innovation programs to identify and commercialize innovative ideas while building a foundation for sustainable growth.
As a key platform for realizing this vision, BRIDGE (bridge.lgensol.com), the Company's open innovation portal, was enhanced in 2025 with user-focused improvements that streamlined technology proposal, review, and collaboration processes. In addition, the introduction of new challenge programs and the enhancement of existing initiatives have expanded the scope and depth of collaboration. Through BRIDGE, LG Energy Solution actively embraces diverse ideas and innovative technologies to create new solutions and explore future growth opportunities. The Company aims to serve as a bridge not only for battery innovation but also for collaborative growth across the broader energy industry, leading technological innovation toward a sustainable future.



LG Energy Solution BRIDGE Portal

Industry-Academia Collaboration Programs

Global R&D Program (Frontier Research Lab, FRL)

Since 2021, LG Energy Solution has operated the FRL (Frontier Research Laboratory) program, a global long-term R&D initiative focused on next-generation battery technologies, including all-solid-state and lithium-metal batteries. Through close collaboration with leading research institutions worldwide, the Company continues to strengthen its future technology capabilities. Key research partners include:

- **United States :** UCSD (University of California, San Diego), UCSB (University of California, Santa Barbara), UChicago (The University of Chicago)
- **Europe(Germany) :** MEET (Münster Electrochemical Energy Technology), HIMS (Helmholtz-Institute Münster)
- **South Korea :** KAIST (Korea Advanced Institute of Science and Technology)

Domestic Industry-Academia Collaboration and Talent Cultivation

LG Energy Solution has been strengthening industry-academia collaboration with leading Korean universities since 2022 to advance lithium-ion and next-generation battery technologies, establish a robust R&D network, and cultivate future talent.

- **Establishment of Research Centers and Joint Research**
  The Company has established industry-academia research centers with Seoul National University and POSTECH (Pohang University of Science and Technology) to conduct joint research on next-generation battery technologies.
- **Contract-Based Academic Programs and Long-Term Research Collaboration**
  The Company has launched contract-based academic programs with Yonsei University and Korea University and operates long-term collaborative research programs to foster the next generation of battery industry leaders.

Industry-Academia Collaboration Conference

In July 2025, LG Energy Solution hosted the "3rd Industry-Academia Collaboration Conference" at R&D Campus Daejeon in Daejeon, attended by around 200 key faculty members and master's and doctoral students from 14 domestic universities. This event was organized to share the latest technology trends in the battery field, including next-generation batteries, and to strengthen the foundation for cooperation between industry and academia.

Key Highlights

- Attended by around 200 faculty members and master's and doctoral students from 14 domestic universities
- Presentation of a total of 115 research posters
- Specialized sessions and technical exchanges on battery technology
- Recruitment information sessions to secure outstanding future talent

LG Energy Solution will continue to expand cooperation between industry and academia to strengthen future battery technology competitiveness and contribute to creating a sustainable innovation ecosystem.



The 3rd LG Energy Solution Industry-Academia Collaboration Conference

Battery Innovation Contest (BIC)

LG Energy Solution operates the Battery Innovation Contest (BIC), a global open innovation program designed to identify and foster innovative battery technologies from universities and research institutes. Through the program, the Company supports the development of creative research ideas into commercial technologies while contributing to the advancement of the battery innovation ecosystem and strengthening long-term technological competitiveness.

- **Eligibility and Research Areas**
  BIC is divided into BIC-G for researchers based outside Korea and BIC-K for researchers based in Korea (excluding researchers affiliated with companies). The program covers a wide range of topics, including novel fundamental and applied battery research, next-generation battery technologies, and theoretical and experimental studies. Independent research proposals that do not overlap with existing government-funded or industry-academia projects are encouraged.
- **Selection Process**
  Research proposals are accepted once a year and reviewed through a two-stage evaluation process. Selected applicants are required to submit detailed research plans for their proposed projects.
- **Support and Collaboration**
  The Company provides R&D funding for selected projects and assigns dedicated research teams to collaborate closely with researchers, enabling practical discussions on technology development and fostering strong research partnerships.

OSS (Open Submission for Start-ups & SMEs)

LG Energy Solution operates the open submission program 'OSS (Open Submission for Start-ups & SMEs)' to establish a continuous cooperation system with startups and general companies. This program discovers collaborative projects on various topics related to the battery industry, such as materials, cells, packs, and BMS (Battery Management System). Companies that submit proposals are matched with internal experts of LG Energy Solution to undergo in-depth technical evaluations. Based on the results of the Proof of Concept (PoC), they are provided with diverse and continuous collaboration opportunities, including joint R&D, equity investment, and partnership agreements. Through these OSS programs, LG Energy Solution is enhancing the innovation capabilities of the entire industry and actively expanding an open innovation ecosystem that will lead a sustainable future.

Global Technology Venture Investment

LG Energy Solution continues to make strategic investments in global technology startups through a Corporate Venture Capital (CVC) fund established in partnership with LG Technology Ventures, based in Silicon Valley, U.S. Through these investments, the Company identifies and secures promising technologies with strong synergy potential at an early stage, strengthening its internal innovation capabilities and long-term technological competitiveness.
In addition, LG Energy Solution proactively explores emerging technologies and new business opportunities, supporting business diversification and reinforcing future growth engines.

We Charge Toward a Better Future

Under its ESG vision, "We CHARGE toward a better future," LG Energy Solution has established and is implementing eight key focus areas across the environmental and social dimensions, supported by four enabling pillars. Based on this framework, the Company is generating ESG outcomes while presenting a long-term vision for a sustainable future.

C

Climate Action & Circular Economy



- **Climate Action**
  Achieving Carbon Neutrality (2050)
- **Circular Economy**
  Establishing Closed-loop Systems at All Global Sites

- Implementing the Carbon Neutrality Strategy
- Advancing a Closed-Loop System

H

Human Value Management



- **Human Rights Management**
  Establishing Human Rights Risk-free Workplaces
- **Human Capital Management**
  Fostering Talent Development Based on DEI

- Advancing company-wide human rights risk management through Human Rights Due Diligence and Human Rights Impact Assessments
- Strengthening Human Capital Management

A

Advanced EH&S



- **Product Stewardship**
  Strengthening Product Sustainability
- **Occupational Health and Safety**
  Zero Major Environmental and Safety Accidents

- Strengthening Product Environmental Performance and Sustainability
- Enhancing Workplace Health and Safety Management
- Managing Environmental Impacts and Biodiversity

R

Responsible & Impactful Business



- **Responsible Supply Chain Management**
  Securing at least 90% of Suppliers in the ESG Low-Risk Group by 2030
- **Shared Growth and Local Community Impact**
  Enhancing Corporate Image through Shared Growth

- Managing ESG Risks Across the Entire Value Chain
- Operating Shared Growth and Partnership Programs
- Local Community and Global Social Impact Initiatives

G

Good Governance



- **Strengthening Compliance and Business Ethics**
- **Enhancing Governance Systems**

- Enhancing Global Compliance and Ethical Management Systems
- Embedding ESG Governance Systems
- Strengthening Board-Centric Decision-Making

E

ESG Disclosure & Communication



- **Strengthening ESG Disclosure**
- **Expanding Stakeholder Engagement and Partnerships**

- Expanding Disclosures Aligned with Global Standards
- Expanding Stakeholder Engagement and Strategic Partnerships

Eight Focus Areas

Four Enablers

ESG Governance

Message from the ESG Committee Chair

Dear LG Energy Solution Stakeholders,

The business environment facing companies today has fundamentally changed from the past. The materialization of climate change risks, the restructuring of global supply chains, and the advancement of regulatory requirements are calling for structural changes across corporate operations. Against this backdrop, ESG is no longer merely a management item for regulatory compliance, but has become a core factor that determines a company's mid- to long-term competitiveness.

The battery industry stands at the center of global challenges such as the energy transition and carbon neutrality, and LG Energy Solution's business activities are closely linked to ESG. The Company is directly subject to various ESG regulations, including the EU Battery Regulation and sustainability disclosure requirements. In this context, the ESG Committee continues to provide board-level oversight to ensure that ESG management is effectively implemented.

Over the past year, the ESG Committee deliberated on key matters to help systematically establish and operate a company-wide ESG management foundation, with a focus on responding to global regulations and advancing the management system. The Committee strengthened the Company's overall risk management by establishing regulations on ESG information management and disclosure, revising environmental, human rights, and labor policies, and reviewing the direction and implementation status of ESG initiatives as well as the response framework for key compliance risks.

Building on these achievements, the ESG Committee plans to further strengthen its oversight role in 2026 to enhance the Company's capabilities to respond to ESG regulations and reinforce alignment with business strategy.

First, we will review the information management and internal control systems related to ESG disclosure obligations, and continue to examine disclosure and decision-making processes based on double materiality assessments. In particular, for major incidents and events, we will continue to improve the overall disclosure process through close collaboration with relevant departments, enhancing the effectiveness of disclosure timing and channels and ensuring that transparent, fact-based information is provided to stakeholders in a timely manner.

Furthermore, we will review the Company's response to domestic and international ESG regulations and its supply chain management system to ensure that key risks are managed and improved in a timely manner.

Going forward, the ESG Committee will continue strategic discussions to link ESG with the Company's sustainable competitiveness and contribute to long-term corporate value through responsible decision-making.

We sincerely ask for your continued interest and support.

Thank you.

Park, Jin-Kyu
Chair of the LG Energy Solution ESG Committee



ESG Governance and Operating System

LG Energy Solution recognizes ESG as a core element of company-wide management and systematically manages the full process from ESG strategy development to implementation and disclosure under the oversight of the Board and the responsibility of management. The Board oversees key ESG policies, strategies, and initiatives to ensure that ESG issues are managed in alignment with the Company's mid- to long-term business strategy. Management oversees the execution of ESG strategies and key initiatives under the Board's oversight, while operating a company-wide ESG management system centered on the dedicated ESG department.

The dedicated ESG Department establishes mid- to long-term ESG strategies and annual action plans, and systematically manages and monitors the implementation of key ESG initiatives. It also works closely with relevant departments and functions responsible for ESG data management to proactively review risks related to ESG disclosures and oversees company-wide ESG activities.

The ESG Working Council serves as a consultative and monitoring body to enhance the execution of ESG strategies and initiatives and is composed of key ESG-related functions. Convening on a quarterly basis, the Council reviews the implementation status of ESG initiatives and shares key ESG risks, regulatory and policy developments, and insights from ESG rating agencies. Through these activities, the implementation progress and key ESG issues are regularly reported to management and, where necessary, reflected in improvements to strategies and initiatives.

In addition, the Company operates councils or Working Groups for key company-wide ESG initiatives. Each council or Working Group systematically manages the progress, performance, and key risks of its respective initiative. Discussion outcomes are consolidated by the dedicated ESG department and reported to the ESG Working Council and management. Based on these reports, the Company reviews and oversees the implementation status and key achievements of its ESG strategy.

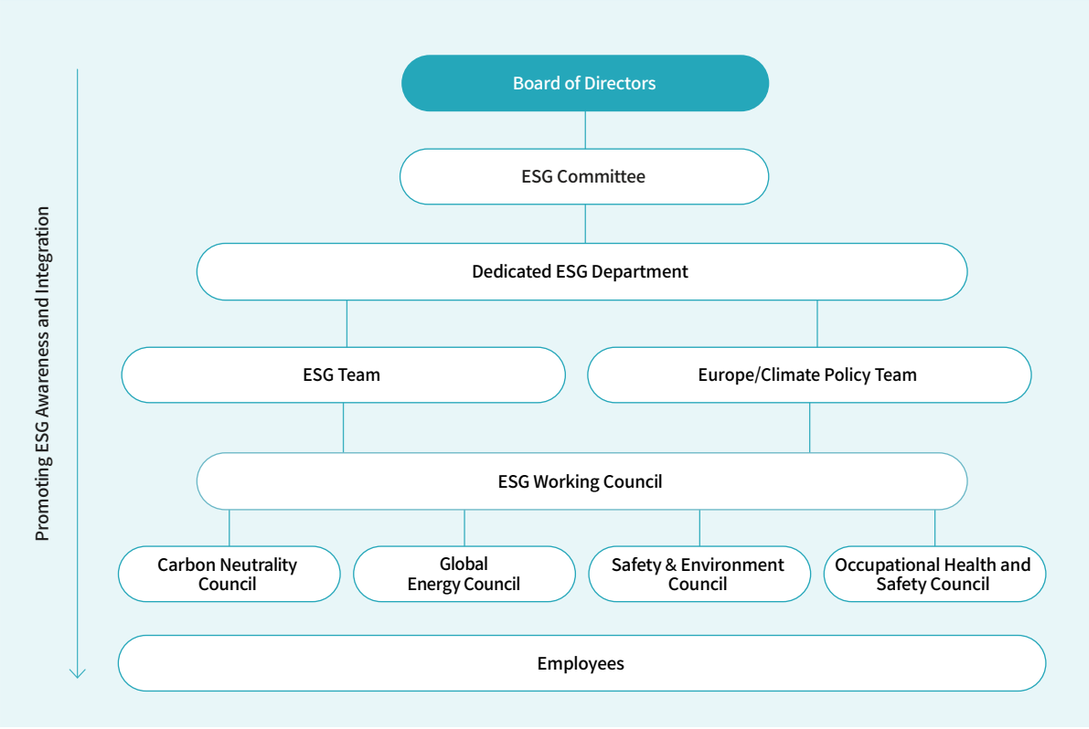
ESG Committee Overview and Activities

LG Energy Solution established the ESG Committee under the Board of Directors in June 2021 to systematically address material ESG issues and operates the ESG Working Council to enhance the execution of ESG strategies and initiatives. The ESG Committee is responsible for establishing fundamental ESG policies, strategies, and mid- to long-term goals across areas including the environment, human rights, health and safety, social responsibility, customer value, shareholder value, and corporate governance, as well as reviewing and approving their implementation. Of the five committee members, four are outside directors, and the Committee convenes semiannually. In the first half of 2026, the ESG Committee was briefed on the Company's ESG management direction and plans for 2026, including the results of the Double Materiality Assessment.

[ESG Committee Activities]

Year	No.	Date	Attendance/ Quorum	Agenda	Type	Outcome
2023	1	April 24	5/5	Approval of ESG Guidelines and Corporate Governance Charter	Approval	Approved
				Reporting on 2023 ESG Management Direction and Plans	Report	
	2	October 20	4/5	Reporting on 2023 ESG Management Performance	Report	
				Reporting on 2023 H2 Company-wide Compliance Management Status	Report	
2024	1	March 25	5/5	Appointment of the Chairperson of the ESG Committee	Approval	Approved
	2	April 23	5/5	Approval of Mid- to Long-term Targets and Policies for ESG Management (No. 1-1) RE100 Roadmap (No. 1-2) Enactment of Biodiversity Policy	Approval	Approved
				Reporting on 2024 ESG Management Direction and Plans	Report	
	3	October 25	5/5	Reporting on 2024 ESG Management Performance	Report	
				Reporting on 2024 Company-wide Compliance Activities	Report	
2025	1	April 29	5/5	Enactment and Revision of ESG Policies (No. 1-1) Enactment of ESG Disclosure Regulations (No. 1-2) Revision of Global Environmental Policy (No. 1-3) Revision of Global Human Rights and Labor Policy	Approval	Approved
				Reporting on 2025 ESG Management Direction and Plans - Results of Double Materiality Assessment	Report	
	2	October 28	5/5	Reporting on 2025 ESG Management Performance	Report	
				Reporting on 2025 Company-wide Compliance Activities	Report	
				Reporting on the Operation of the Fair Trade Compliance Program	Report	
2026	1	April 28	5/5	Reporting on 2026 ESG Management Direction and Plans - Results of Double Materiality Assessment	Report	
				Enactment and Amendment of ESG Policies	Report	
				Reporting on Compliance Key Risks Management Status	Report	
				Reporting on the Operation of the Fair Trade Compliance Program	Report	

Organizational Chart of Dedicated ESG Teams and ESG Working Council



Policies by ESG Area

Biodiversity Protection and Deforestation Prevention Policy	Responsible Supply Chain Policy
Code of Conduct for Suppliers	Global Environmental Policy
Global Human Rights and Labor Policy	Diversity, Equity, Inclusion(DEI) Policy
Global Safety and Health Policy	Code of Conduct
Commitment to Product Quality	Global Anti-bribery Guidelines
Anti-bribery Policy	Privacy Policy

ESG Training

LG Energy Solution promotes change management activities for employees, the key drivers of ESG implementation, to strengthen the execution and effectiveness of its ESG initiatives. Through training, campaigns, and newsletters, the Company fosters an ESG culture that enables employees to understand changes in the ESG landscape, identify practical tasks in their areas, and take action.

[ESG Training Details]

Category	Details	Frequency
ESG Trend Focus	• Sharing ESG Trends and Key Initiative Updates • Interviews with the ESG Committee and experts	Quarterly
ESG Compliance Training	• ESG Regulatory Landscape and Response Strategies - Global ESG Trends and Response Status for ESG Disclosure Regulations	Annually



ESG Trend Focus



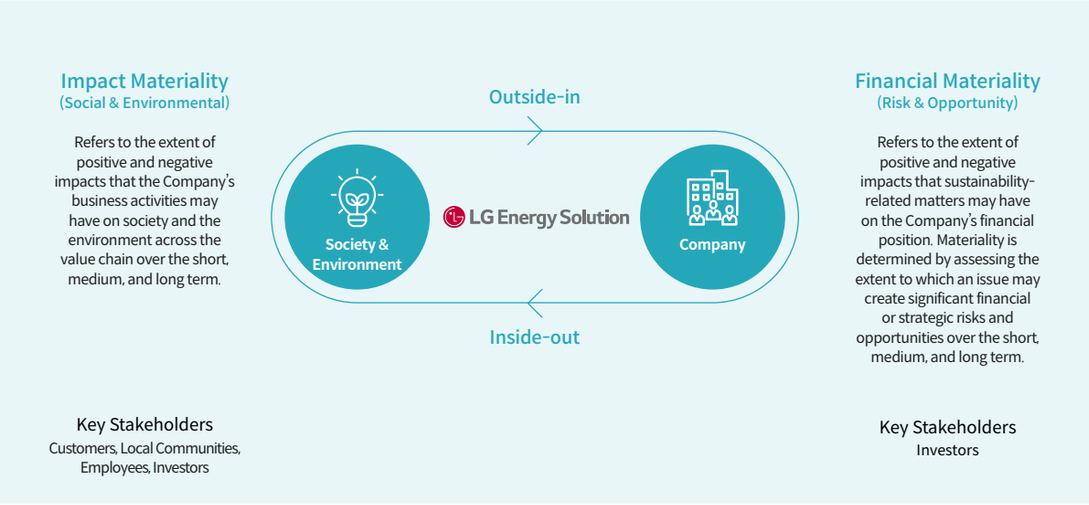
ESG Compliance Training



ESG Day

Double Materiality Assessment

Since 2024, LG Energy Solution has identified key stakeholder interests and issues that have a significant impact on its business through the Double Materiality Assessment and has disclosed them transparently.
The Double Materiality Assessment is an approach that analyzes the impact of ESG issues on the Company's financial position from an internal perspective while simultaneously assessing the Company's impact on society and the environment from an external perspective. It is a concept that considers both financial materiality and impact materiality in an integrated manner.
LG Energy Solution adopted the concept of double materiality by referring to the ESRS Double Materiality Implementation Guide 1 published by the European Financial Reporting Advisory Group (EFRAG). Based on key ESRS metrics, the Company established its own IROs (Impacts, Risks and Opportunities) and developed an assessment process for evaluating them.



Concept of Double Materiality

Double Materiality Assessment Process

STEP 1 Understanding the Company's Sustainability Context

To comprehensively understand the sustainability context of LG Energy Solution, the Company conducted a value chain analysis and identified key stakeholders, covering not only its business activities and business relationships but also the environmental and social contexts in which these activities take place. In addition, the Company comprehensively reviewed industry characteristics, business models, policy and regulatory environments, and global disclosure standards and criteria, and identified a broad range of sustainability topics relevant to LG Energy Solution through analyses of domestic and international media sources.

Major Business Segments	Battery cell manufacturing
	EaaS (Energy as a Service), BaaS (Battery as a Service)
Value Chain	Upstream (Suppliers)
	Own Operations (Manufacturing, Sales)
	Downstream (Customers)
+	
ESG Issue Pool (Long list)	Domestic and international disclosure standards (ESRS, KSSB, GRI)
	Key issues selected by ESG Raters (KCGS, MSCI, S&P Global)
	Industry regulation analysis, media analysis, material topics of peers

STEP 2 Identifying Actual and Potential IROs

To identify impacts, risks, and opportunities (IROs) that may arise across the business, the Company identified actual and potential IROs throughout the entire value chain, including its operations, supply chain, products and services, employees, and customers. In addition, the Company identified detailed direct and indirect impacts by taking into account both the positive and negative nature of each IRO. Based on this analysis, the Company developed a long list of 238 IROs across 73 sustainability-related topics.

※ IRO (Impacts, Risks, and Opportunities): Actual or potential sustainability-related impacts, risks, and opportunities arising from the Company's operations and value chain

Impact Materiality (Impact of the company's activities on people and the environment)		Financial Materiality (Sustainability-related risks and opportunities that may affect the Company's financial position and cash flows)	
Positive	Negative	Risk	Opportunity

STEP 3

Identifying Material Topics

Following the identification of actual and potential impacts, risks, and opportunities (IROs), LG Energy Solution assessed the materiality of 73 IRO-related topics using the ESRS materiality assessment criteria. Through written surveys and face-to-face interviews with relevant functions directly associated with the identified IROs, each topic was evaluated based on the severity and likelihood of impacts, considering the dimensions of scale, scope, and irremediability. As a result, 15 topics were shortlisted for further assessment. The Company then conducted a double materiality assessment involving both internal and external stakeholders to evaluate the significance of these topics from impact and financial materiality perspectives. In addition to stakeholder feedback collected across the value chain, including customers, suppliers, investors, academia, and legal experts, LG Energy Solution considered key sustainability issues and corporate risk items identified through its Enterprise Risk Management (ERM) process, as well as external factors such as media exposure, controversies, ESG-related regulations, and material ESG issues identified by major ESG rating agencies. Based on this comprehensive assessment, the Company identified its most material ESG topics.

- **Survey Period :** March 2026 – April 2026
- **Survey Method :** Written and face-to-face interviews (30 internal and external stakeholder groups)

(Stakeholder Groups : employees, customers, suppliers, academia, legal experts, investors, and other value chain stakeholders)

[Final Evaluation Methodology]

1) Impact Materiality Assessment
   Scale of impact, Scope of impact, Irremediability of impact, Likelihood of occurrence
2) Financial Materiality Assessment
   Magnitude of financial effects (financial, operational, legal, and reputational), Likelihood of occurrence

STEP 4

Determining Material Issues

Based on the results of the double materiality assessment, the Company selected seven material sustainability issues by considering the relative significance of each shortlisted topic. The assessment results were subsequently reviewed and signed off by management and the ESG Committee under the BoD, which provided final approval of the material issues. For each material issue, this ESG Report discloses the associated management approach, key performance outcomes, and medium- to long-term targets, providing stakeholders with a comprehensive overview of how LG Energy Solution manages and responds to material sustainability issues.

Key Material Issues

Following the identification of 15 shortlisted topics through written and face-to-face interviews with relevant business functions, the Company assessed the significance of each topic from both impact and financial materiality perspectives through face-to-face interviews with external stakeholders. Based on the assessment results, the Company identified seven material sustainability matters, focusing on topics that demonstrated above-average significance across both impact and financial materiality dimensions. Compared with the previous year's assessment, Occupational Health and Safety was newly identified as a material sustainability issue, while Environmental Impact Management was no longer included.

[Material Topics and Key IROs]

No.	Topic	IRO	Impact	Financial
1	Climate Change	Growth in global sales driven by increasing EV demand	Positive	Opportunity
2		Expansion of the ESS market	Positive	Opportunity
3		Strengthening of GHG emission regulations and policies	Negative	Risk
4	Raw Material Sourcing Risk	Supply chain disruptions arising from geopolitical instability	Negative	Risk
5	Occupational Health and Safety	Occupational health and safety incidents involving employees and contractors	Negative	Risk
6	Resource Inflows and Resource Use	Reduction of resource consumption through circular economy practices	Positive	Opportunity
7	Customer/Consumer Communication	Tightening of product labeling regulations and requirements	Negative	Risk
8	Innovation Management	Productivity enhancement through technological innovation	Positive	Opportunity
9		Improved customer convenience through technological innovation	Positive	Opportunity
10	Supplier ESG Risk Assessment	Building an ESG management system across the supply chain	Positive	Opportunity
11	Board of Directors	Strengthening Board independence and effectiveness	Positive	Opportunity
12	Shareholders	Protection of shareholder rights and interests	Negative	Risk
13	Risk Management	Growing importance of integrated risk management	Negative	Risk
14	Disclosure Risk	Misstatements, errors, or omissions in disclosed information	Negative	Risk
15	Ethics and Compliance	Unfair or fraudulent business practices	Negative	Risk

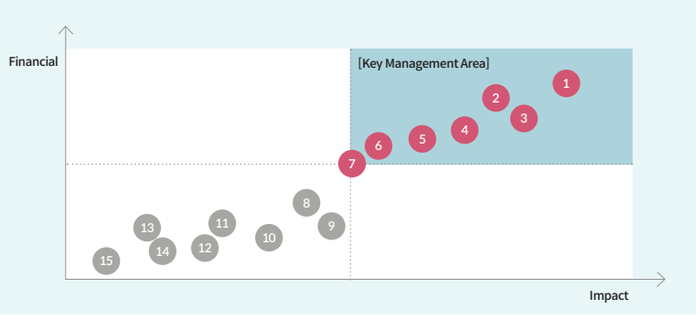
[Double Materiality Assessment Results]

●●●: High impact, ●●: Medium impact, ●: Low impact

No.	Topic	IRO	Impact Materiality										Financial Materiality				Final
			Scope of Impact (◎: Key stakeholders affected)					Assessment Results					Opportunity/ Risk	Assessment Results			
			Positive /Negative	Customers	Company	Supply Chain	Local Community	Scale	Scope	Likelihood	Irremediability	Overall		Scale	Likelihood	Overall	
1	Climate Change	Growth in global sales driven by increasing EV demand	Positive	○	○	○	◎	●●●	●●●	●●●	-	●●●	Opportunity	●●●	●●●	●●●	●●●
2		Expansion of the ESS market	Positive	○	○	○	◎	●●●	●●●	●●	-	●●●	Opportunity	●●●	●●●	●●●	●●●
3		Strengthening of GHG emission regulations and policies	Negative	○	◎	○		●●●	●●●	●●●	●●●	●●●	Risk	●●	●●●	●●●	●●●
4	Raw Material Sourcing Risk	Supply chain disruptions arising from geopolitical instability	Negative	○	○	◎		●●●	●●●	●●●	●●●	●●●	Risk	●●	●●	●●●	●●●
5	Occupational Health and Safety	Occupational health and safety incidents involving employees and contractors	Negative		◎	○		●●	●●●	●●	●●●	●●	Risk	●●	●●	●●	●●
6	Resource Inflows and Resource Use	Reduction of resource consumption through circular economy practices	Positive	○			◎	●●	●●	●●	-	●●	Opportunity	●	●	●●	●●
7	Customer/Consumer Communication	Tightening of product labeling regulations and requirements	Negative	○	◎		○	●●	●●	●●		●●	Risk	●	●	●●	●●
8	Innovation Management	Productivity enhancement through technological innovation	Positive		○		◎	●●	●●	●●	●●●	●●	Opportunity	●●	●	●●	●●
9		Improved customer convenience through technological innovation	Positive		○		◎	●●	●●	●●	-	●●	Opportunity	●●	●	●●	●●
10	Supplier ESG Risk Assessment	Building an ESG management system across the supply chain	Positive	○	◎	○		●	●	●	-	●	Opportunity	●	●	●	●
11	Board of Directors	Strengthening Board independence and effectiveness	Positive		○		◎	●	●	●	-	●	Opportunity	●	●	●	●
12	Shareholders	Protection of shareholder rights and interests	Negative		○		◎	●	●	●	●●	●	Risk	●	●	●	●
13	Risk Management	Growing importance of integrated risk management	Negative		◎	○		●	●	●	●	●	Risk	●	●	●	●
14	Disclosure Risk	Misstatements, errors, or omissions in disclosed information	Negative		○		◎	●	●	●	●●	●	Risk	●	●	●	●
15	Ethics and Compliance	Unfair or fraudulent business practices	Negative		◎	○		●	●	●	●	●	Risk	●	●	●	●

※ 'Irremediability' was applied to the impact only when it was negative.

[Materiality Assessment Matrix]



Key Material Issues from the Materiality Assessment

No.	Issue	Risk and Opportunity Factors	Impact	Financial	GRI Topic	ESRS Topic
1	Climate Change	Growth in global sales driven by increasing EV demand	Positive	Opportunity	201, 302, 305	E1
2		Expansion of the ESS market	Positive	Opportunity		E1
3		Strengthening of GHG emission regulations and policies	Negative	Risk		E1
4	Raw Material Sourcing Risk	Supply chain disruptions arising from geopolitical instability	Negative	Risk	308, 407, 408, 409, 411, 414	S2
5	Occupational Health and Safety	Occupational health and safety incidents involving employees and contractors	Negative	Risk	403	S1, S2
6	Resource Inflows and Resource Use	Reduction of resource consumption through circular economy practices	Positive	Opportunity	301, 306	E5
7	Customer/Consumer Communication	Tightening of product labeling regulations and requirements	Negative	Risk	416	S4

Management of Material Issues

LG Energy Solution identified risk and opportunity factors based on interviews conducted during the Double Materiality Assessment and reflected response strategies for these factors.

Material Issue	ESG Report Topic	ESRS Topic	Risk and Opportunity Factors	Impact	Financial	Response Strategy	Risk and Opportunity Management	Metrics and Targets
Climate Change	Climate Action	E1 (Climate Change)	Growth in global sales driven by increasing EV demand	Positive	Opportunity	• Expand EV battery portfolio based on demand from global OEMs and customers, optimize regional production bases, and strengthen mass production capabilities	• Monitor demand volatility by customer and region • Manage demand scenarios linked to mid-to long-term CAPEX	• Maintain structural growth in the share of EV-related sales, expand coverage of key global OEMs
			Expansion of the ESS market	Positive	Opportunity	• Strengthen product competitiveness of renewable energy-linked ESS and target power grid and industrial ESS markets	• Monitor changes in energy policies/subsidies • Manage project order risks	• ESS sales and order volume • Build a foundation for mid- to long-term growth in ESS sales
			Strengthening of GHG emission regulations and policies	Negative	Risk	• Expand the use of renewable energy and promote the achievement of RE100 targets • Reduce emissions through energy efficiency improvements and process innovation • Strengthen carbon competitiveness by developing low-carbon products and technologies	• Manage regulatory non-compliance risks in operating countries • Assess the financial impact of carbon costs (emission allowances, CBAM)	• Scope 1, 2, and 3 emissions, renewable energy transition rate (achieving RE100 by 2030) • Achieve mid- to long-term GHG reduction targets, expand RE conversion at major sites
Raw Material Sourcing Risk	Sustainable Value Chain	S2 (Value Chain)	Supply chain disruptions arising from geopolitical instability	Negative	Risk	• Diversify raw material supply chains and strengthen strategic supplier management • Operate monitoring systems for geopolitical risks and changes in supply chain regulations • Enhance supply chain resilience by developing alternative materials and improving resource efficiency	• Monitor supply chain-related regulations such as the UFLPA • Identify high-risk countries and suppliers, and operate emergency sourcing scenarios and monitoring systems • Develop future technologies for battery materials	• Reduce exposure to geopolitical risks and secure procurement stability • Ensure that 90% or more of suppliers are classified as ESG Low Risk
Occupational Health and Safety	Occupational Health and Safety	S1 (employees), S2 (Value Chain)	Occupational health and safety incidents involving employees and contractors	Negative	Risk	• Advance the company-wide occupational health and safety management system and spread a safety culture • Proactively manage high-risk operations based on risk assessments • Operate an integrated health and safety management system that includes suppliers and contractors	• Operate serious accident response processes • Analyze accident root causes and prevent recurrence	• Lost Time Injury Frequency Rate (LTIFR), number of major accidents • ZERO serious industrial accidents
Resource Inflows and Resource Use	Resource Circularity	E5 (Circular Economy)	Reduction of resource consumption through circular economy practices	Positive	Opportunity	• Establish a battery resource circular ecosystem (Closed-loop) • Secure global pre-processing bases to expand the use of recycled raw materials • Design for resource recovery and reuse	• Manage raw material price volatility • Manage quality and supply risks of recycled materials	• Gradually increase the share of recycled materials (targeting approx. 20% or more from 2031)
Customer/ Consumer Communication	Product Stewardship	S4 (Consumers and End-users)	Tightening of product labeling regulations and requirements	Negative	Risk	• Establish a product information management system based on Product Carbon Footprint (PCF) and Battery Passport • Secure supply chain data quality by advancing data collection and verification systems linked with suppliers • Strengthening global regulatory response capabilities through participation in international standards and industry associations • Enhance information transparency and stakeholder trust by expanding third-party verification of product environmental information	• Manage regulatory and reputational risks arising from labeling errors or inaccurate information under the EU Battery Regulation	• Labeling compliance reviews and number of regulatory violations

Stakeholder Communication

LG Energy Solution defines all organizations and individuals who influence or are influenced by the company's business activities as stakeholders, communicates with them through various channels for each stakeholder group, and reflects their expectations in its ESG management.

Process for Advancing ESG Strategy through Stakeholder Communication

Analyze ESG Trends and Stakeholder Needs

- Gather feedback through general meetings of shareholders, customer surveys, labor-management councils, etc.
- Identify ESG issues raised by ESG rating agencies and global initiatives

Analyze Key ESG Issues and Determine Priorities

- Derive key ESG agendas based on collected feedback and issues
- Select priority tasks through reviews by the ESG Committee and management

Establish and Execute ESG Strategy

- Establish ESG management targets reflecting priority tasks
- Apply to business operations

Monitor and Disclose Performance

- Monitor ESG performance
- Share performance through ESG reports, website, etc.

Feedback and Integration

- Update ESG targets and execution strategies through ESG regulations and stakeholder communication

Expectations of Key Stakeholders and Communication Channels

	Shareholders & Investors	Customers	Employees	Suppliers	Local Communities near Sites
Expectations	Long-term growth potential, transparent information disclosure	Seamless communication, climate change response, business innovation, and R&D	Human capital management, collaborative labor-management relations, enhancement of employee benefits, strengthening of health & safety, and respect for human rights	Building strategic/collaborative partnerships, business management support, and training activities	Mutual communication and exchange
Communication Channels	General meeting of shareholders, Earnings Conference Call, disclosure of financial/non-financial information, annual/business reports	Customer feedback channels, CDP (Carbon Disclosure Project) reports, annual/business reports, industry exhibitions	EnTalk (CEO Hotline), Labor-Management Council, Junior Board, employee satisfaction surveys, Occupational Safety and Health Committee	Grievance channel for unfair trade practices with partners, Partners' Day	Grievance and complaint channels, community engagement programs, Local Community Shared Growth Council, environmental information disclosure

	Local Communities & NGOs	Academia & Experts	Industry Associations	Media	Government Agencies & National Assembly	Global Initiatives
Expectations	Vitalization of local economies, social contribution	Industry-academia collaboration	Responding to new regulations	Major product and business performance, future growth strategies, and sustainability management achievements such as carbon neutrality	Regulatory compliance, fair trade, compliance management, and shared growth	Cooperation in establishing and implementing global ESG standards
Communication Channels	Gathering opinions through surveys, collaborative social contribution projects	Open innovation, global R&D programs (FRL), industry-academia collaboration conferences, Battery Innovation Contest, OSS, technology venture investments	Participation in battery and energy industry associations, cooperation in responding to policies and regulations, technology/standard development, and supply chain collaboration activities	Press releases, Battery Inside, sustainability website, LG Energy Solution Newsroom	Engagement with the National Assembly, government ministries, local governments, and economic organizations, including industrial policy advisory activities and government pilot projects	Input through Working Group and Board Participation, Disclosure and Submission of Implementation Status

Stakeholder Communication

LG Energy Solution operates its official website, official blog 'Battery Inside', and various social media channels (Facebook, YouTube, LinkedIn, etc.) to communicate actively with various stakeholders, including customers.

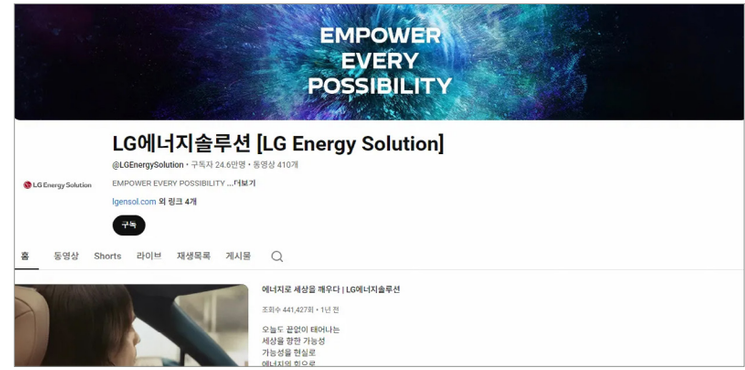


Website

www.lgensol.com/en/index

www.lgensol.com/en/company-newsroom

Go to site



YouTube

https://www.youtube.com/lgenergysolution

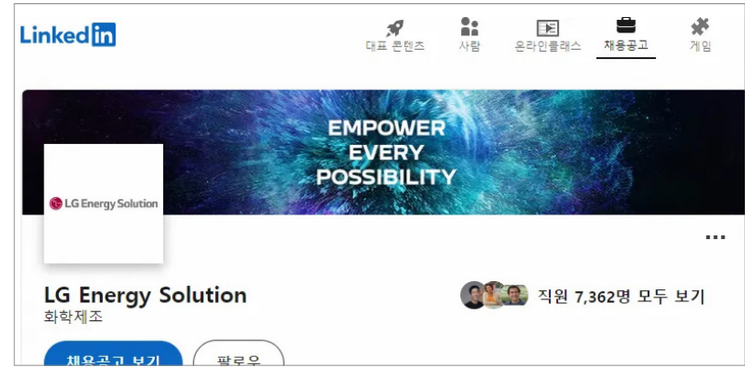
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Battery Inside

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Key Initiative Activities

Global Partnerships

ESG

UN Global Compact

LG Energy Solution joined the United Nations Global Compact (UNGC) in April 2022 and committed to upholding the UNGC Ten Principles in the areas of human rights, labor, environment, and anti-corruption across all business activities. The Company also annually discloses activities and performance aligned with the United Nations Sustainable Development Goals (SDGs).

GBA (Global Battery Alliance)

LG Energy Solution participates as a member of the Board of Directors of the Global Battery Alliance (GBA), a multi-stakeholder platform of companies, governments, international organizations, and NGOs committed to building a sustainable battery value chain. Representing global battery manufacturers, the Company provides advice on GBA's strategies and activities. Through GBA activities, LG Energy Solution monitors and proactively responds to EU-led battery policies and regulations. The Company also contributes to the development of ESG-related standards for battery product carbon footprint calculation, environmental performance, and supply chain human rights, as well as to the development of the Battery Passport.

E

RE100 (Renewable Electricity 100)

EV100 (Electric Vehicle 100)

In April 2021, LG Energy Solution became the first in the battery industry to simultaneously join the RE100 and EV100 initiatives, aiming to achieve RE100 and EV100 by 2030.

TCFD (Task Force on Climate-related Financial Disclosures)

LG Energy Solution includes information on its climate change management system in its ESG Report in line with the TCFD recommendations. In February 2023, the Company became the first company in the domestic battery industry to declare support for the TCFD. Going forward, LG Energy Solution will continue to identify business opportunities and risks related to climate change and strengthen its climate action through initiatives such as achieving RE100 by 2030 and carbon neutrality by 2050.

S

RBA (Responsible Business Alliance)

LG Energy Solution is the first Korean battery company to join the Responsible Business Alliance (RBA) and actively participate in its initiatives. The RBA is the world's largest industry coalition dedicated to corporate social responsibility in global supply chains, with more than 250 member companies. LG Energy Solution supports the RBA's vision and seeks to create sustainable value for workers, the environment, and business activities across the global battery supply chain. The Company will continue to strengthen ESG management by applying the RBA Code of Conduct to its business operations and expanding partnerships with suppliers and stakeholders.

RMI (Responsible Minerals Initiative)

LG Energy Solution joined the Responsible Minerals Initiative (RMI) to promote ethical and transparent mineral sourcing. RMI was established in 2008 as an initiative under the Responsible Business Alliance (RBA) to address human rights and environmental issues in mineral sourcing, including cobalt, and has approximately 550 global member companies. Using RMI's Conflict Minerals Reporting Template (CMRT), LG Energy Solution requires suppliers to disclose whether they use conflict minerals and provide information on the relevant smelters.

RLI (Responsible Labor Initiative)

LG Energy Solution is the first Korean battery company to join and participate in the RLI to improve labor and human rights conditions in global supply chains. An initiative under the RBA, the RLI was established in 2017 to address issues such as forced labor, child labor, and working conditions, with about 270 global companies participating.

FCA (Fair Cobalt Alliance)

In May 2022, LG Energy Solution became the first Korean company to join the Fair Cobalt Alliance (FCA), supporting efforts to eliminate forced labor and child labor risks in cobalt production in the Democratic Republic of the Congo. The Company also carries out community improvement activities to help promote sustainable change within local economic systems.

Environmental

Environmental threats are now a pressing reality.
LG Energy Solution pursues environmental management under its vision of "Reduce Carbon and Add Nature" to address challenges such as climate change, resource depletion, and ecosystem destruction.



34 Climate Action
46 Resource Circularity
51 Environmental Management
55 Environmental Impact Management
62 Biodiversity

This page visually expresses global environmental circulation and sustainability through circular and cyclical images symbolizing the Earth.

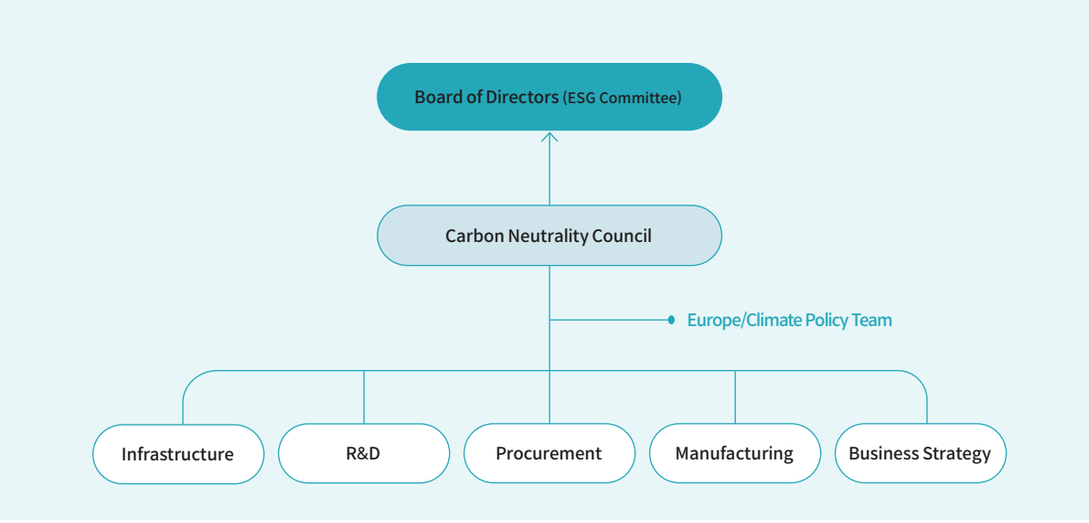
Climate Action

LG Energy Solution aims to achieve carbon neutrality across its entire value chain by 2050 and continues to pursue greenhouse gas reduction initiatives in support of this goal.

Climate Change Response Framework

Climate Governance Structure

LG Energy Solution establishes carbon neutrality targets and implements emissions reduction initiatives through a transparent and effective governance framework.



ESG Committee

The ESG Committee serves as the highest decision-making body for climate-related strategies, investments, and key initiatives. The Committee reviews strategic direction semiannually and oversees the approval and implementation of key initiatives.

[Climate-Related Matters Reported and Approved by the ESG Committee]

Year	Type	Agenda
April 2024	Approval	RE100 Roadmap Implementation Plan
April 2025	Reporting	Carbon Neutrality Strategy Progress Update
October 2025	Reporting	Key ESG Progress Update, Including RE100 and Carbon Neutrality Strategy Implementation
April 2026	Reporting	ESG Strategic Direction and Plans, Including Renewable Electricity Transition Progress

Carbon Neutrality Council

LG Energy Solution operates the Carbon Neutrality Council, composed of relevant internal departments for climate response. The Council leads policy development and execution to achieve the Company's Carbon Neutrality Strategy. As the Council's secretariat, the Europe/Climate Policy Team coordinates closely with relevant global departments and carries out the following key responsibilities.

- **Monitoring Implementation Performance**
  Managing and monitoring company-wide greenhouse gas emissions and tracking progress in the transition to renewable electricity.
- **Developing Climate Strategy**
  Assessing climate-related risks and opportunities in line with the TCFD framework.
- **Enhancing Stakeholder Engagement**
  Ensuring transparent climate-related disclosures in accordance with global reporting standards.

Management and Functional Departments

Management and relevant functional departments under the Carbon Neutrality Council oversee the Carbon Neutrality Strategy and energy and GHG management systems. They also establish climate-related targets, regularly monitor implementation progress, and systematically manage performance by linking these targets to the KPIs of the responsible departments.

Climate Risk Management

Climate Risk Identification

LG Energy Solution conducted external and internal analyses from the perspective of business models and value chains to identify climate-related risks and opportunities. The Company classified climate-related physical and transition risks in accordance with the TCFD Recommendations and the EU Taxonomy (Appendix A: Classification of Climate-Related Hazards). Physical risks refer to risks arising from the physical impacts of climate change when adequate response measures are not taken, while transition risks refer to risks that may emerge from social and economic changes associated with the transition to a low-carbon economy. In addition, the Company conducted a comprehensive review of factors affecting climate-related risks and opportunities through a STEEP* analysis.

* STEEP : A method of analyzing macro-environmental factors such as Social, Technological, Economic, Environmental, and Political factors to support corporate or organizational strategy development.

Based on this analysis, the Company has established a company-wide risk management framework to proactively address climate-related uncertainties and systematically manage key risks and opportunities. For transition risk analysis, the Company applied the International Energy Agency's (IEA) NZE (Net Zero Emissions) scenario, which assumes the achievement of carbon neutrality by 2050. For physical risk analysis, the Company used climate scenarios published by the Intergovernmental Panel on Climate Change (IPCC), including SSP1-2.6, SSP2-4.5, and SSP5-8.5, to assess business impacts under various climate conditions.

The scenario analysis was based on recognized external scenarios and specialized analytical tools. Reasonable and conservative assumptions were applied to account for uncertainties in certain data. Revenue and costs were estimated based on production volumes and selling prices in the base year, while key financial ratios, including the cost of sales ratio, were based on recent historical averages. Statistical methods were applied where long-term forecasts were required.

Items for which long-term volatility was difficult to estimate, such as assets, were simplified by maintaining base-year levels. In addition, for certain items where reliable quantitative data was limited, such as recovery costs by natural disaster, changes in insurance premiums, and cost allocation criteria, qualitative analysis or conservative estimates were applied. Accordingly, these assumptions and methodologies may result in outcomes that differ from actual results depending on future changes in the external environment, policies, and market conditions.

[Climate Change Scenarios]

Scenario	1.5°C	2.0°C	4.0°C
Overview	The world begins an immediate transition toward a carbon-neutral economy. Through coordinated global action, temperature rise is limited to below 1.5°C, broadly aligned with the goals of the Paris Agreement.	Policy measures are implemented to achieve currently announced national emissions reduction targets. However, more ambitious policies are not adopted, resulting in a temperature rise of more than 2.0°C.	Only currently implemented policies and measures are considered, reflecting a relatively limited level of policy action and resulting in a temperature rise of more than 4.0°C.
Key Assumptions	Countries cooperate globally to achieve carbon neutrality, supported by a wide range of emissions reduction efforts.	Policy implementation remains gradual and continuous, while the frequency and impact of physical risks become increasingly evident.	Limited policy intervention results in relatively low transition risks. However, physical risks associated with climate change become more frequent and severe.
Temperature Rise in 2100 Compared to Pre-industrial Levels	**1.5°C Temperature Rise**	**More than 2.0°C Temperature Rise**	**More than 4.0°C Temperature Rise**
Risk Trend	Higher Transition Risks	Moderate	Higher Physical Risks
Transition	IEA STEPS, APS, NZE Scenarios / NGFS Net Zero 2050, DT, CP Scenarios		
Physical	SSP1-2.6	SSP2-4.5	SSP5-8.5

STEPS (Stated Policies Scenario), APS (Announced Pledges Scenario), NZE (Net Zero 2050), DT (Delayed Transition), CP (Current Policies)

Climate Change Risk Assessment

LG Energy Solution conducts business impact assessments for key climate-related risks and opportunities identified through regulatory, policy, and scenario analyses. The assessment considers the magnitude and likelihood of each risk and opportunity factor. Magnitude is evaluated based on its alignment with corporate strategy, its impact on key business directions and strategic objectives, and the need for response measures. Benchmark company analysis, legal and regulatory trends, and ESG disclosure and assessment criteria are also taken into consideration. Likelihood is assessed through STEEP analysis by evaluating structural and policy-driven changes across Social, Technological, Economic, Environmental, and Political factors.

- **Impact :** Corporate strategy alignment analysis, benchmark company analysis, legal and regulatory analysis, ESG disclosure and assessment criteria
- **Likelihood** : STEEP analysis

However, given the high level of uncertainty associated with financial impact estimates and the limited usefulness of the quantified results, the assessment is presented primarily through qualitative analysis.

Transition Risk Assessment

LG Energy Solution conducted scenario analysis to assess risks associated with the transition to carbon neutrality, taking into account climate-related policies, macroeconomic trends, and energy demand and mix in the countries where its sites are located, based on scenarios developed by the International Energy Agency (IEA). The Company evaluated the business impacts of the risks and opportunities identified through the scenario analysis, reviewed its response measures, and conducted a qualitative assessment of their potential financial implications.

Category			Time Horizon	Business Impact	Response Status	Financial Impact
Transition	Market	① Expansion of Supply Chain Transition Requirements	Long-term	The battery manufacturing industry is highly dependent on critical raw materials, such as nickel, cobalt, and lithium, as well as multi-tier supply chains. As supply chain transition requirements increase, supply chain due diligence, assessment, and improvement activities are expected to increase structurally. In particular, under the EU Battery Regulation, LCA-based carbon footprint declare for batteries placed on the EU market is mandatory, which may make certification a de facto business requirement for suppliers.	The Company has developed a carbon footprint calculation system that integrates energy consumption, production, wastewater, and waste data, strengthening its data quality management framework. To reduce supply chain carbon emission, the Company aims to transition the electricity used in the production of raw materials supplied by all Tier-1 suppliers to 100% renewable electricity by 2030. This initiative will be expanded beyond key materials, such as cathode materials, anode materials, copper foil, and separators, to include suppliers of other materials and components, such as electrolytes and aluminum foil, supporting RE100 implementation across the supply chain.	Cost ↑ Cost of Sales ↑
	Market	② Increase in Raw Material Prices Driven by Greenflation	Long-term	As demand for low-carbon raw materials increases, price premiums may apply to materials with low-carbon certification or traceability, even when they provide the same functionality. Additional labor and management costs may also arise from establishing new quality management systems and addressing initial productivity declines during trial production and product qualification processes	The Company is advancing various initiatives to monitor low-carbon material technologies and secure recycled raw materials. The Company is also establishing battery recycling joint ventures with global partners to strengthen resource circularity and secure recycled feedstock. These ventures operate specialized pretreatment facilities that collect end-of-life batteries and manufacturing scrap locally and process them into black mass, an intermediate recycled material.	Cost ↑ Cost of Sales ↑
	Technology	③ Stronger Requirements for Energy-Efficient Infrastructure	Long-term	This may require additional plant-level investments in high-efficiency equipment, HVAC and cooling optimization, and monitoring infrastructure. Battery manufacturing involves large volumes of operational data and frequent process changes, requiring advanced energy management systems. Temporary production interruptions during equipment replacement and upgrades may also result in delivery delays and associated business losses.	The Company operates its Energy & Utility Management (EUM) system, enabling real-time monitoring and systematic management of equipment performance and energy consumption. The system supports early detection of anomalies, energy efficiency improvements, and stable operations. The Company also continues to upgrade high-efficiency infrastructure and maintains spare equipment to minimize disruptions during maintenance and equipment replacement.	Cost ↑ Revenue ↓
	Technology	④ Stronger Requirements for Site-Level Energy Transition	Long-term	To respond to energy transition requirements, transitioning to fuels with lower carbon intensity or replacing combustion facilities such as boilers and drying furnaces may incur facility transition costs, including the purchase of new combustion facilities, installation costs, and piping replacement.	The Company aims to achieve company-wide RE100 by 2030 through various mechanisms, including on-site solar generation, Renewable Energy Certificates (RECs), and the Green Premium program. To secure renewable energy and enhance the additionality of emissions reductions, the Company is gradually advancing renewable energy procurement through Power Purchase Agreements (PPAs) across its global production sites. In addition, production processes will be transitioned to innovative fossil-fuel-free technologies, while major thermal systems, including steam boilers, will gradually be replaced with low-carbon energy sources such as biomethane.	Cost ↑
	Policy/ Regulation	⑤ Introduction of Mandatory Climate Disclosure Requirements	Long-term	As climate disclosure requirements expand, data collection, verification, and documentation related to energy consumption, GHG emissions, and logistics activities will become increasingly important. Additional costs may arise from external assurance requirements. Failure to comply with disclosure requirements may also result in financial losses, including administrative sanctions and penalties, as well as reputational risks.	Beginning with ESWA (Poland) in 2028, climate-related disclosures, including carbon neutrality strategies and GHG emissions, will become mandatory under the Corporate Sustainability Reporting Directive (CSRD), which will be applied company-wide from 2029. The Company continuously monitors global climate disclosure regulations and has established a greenhouse gas accounting system based on ISO 14064-1 and the GHG Protocol. The Company also plans to further enhance the reliability and quality of energy and GHG emissions data through third-party verification.	Cost ↑
	Policy/ Regulation	⑥ Expansion of International Carbon Trade Regulations	Medium-term	As the EU Carbon Border Adjustment Mechanism (CBAM) takes effect, requirements to measure, report, and verify embedded emissions are increasing. Product-level LCA and Product Carbon Footprint (PCF) systems may be required to meet certification requirements in key export markets, including the EU and the United States. Additional costs may arise from CBAM certificates, emissions trading schemes (ETS), regulatory penalties, and reduced competitiveness of carbon-intensive products.	The Company monitors annual GHG emissions and reports, or is preparing to report, third-party verified emission data to relevant government authorities to comply with the EU CBAM and emissions trading schemes in applicable jurisdictions. The Company also analyzes the impact of policy and market changes on carbon prices, manages emissions allowance positions, and develops purchasing strategies accordingly. In parallel, the Company continues to reduce actual GHG emissions through energy efficiency improvements while minimizing compliance-related costs.	Cost ↑ Cost of Sales ↑ Revenue ↓
	Policy/ Regulation	⑦ Expansion of Climate Policies and Regulations in the Transport Sector	Long-term	A slower-than-expected transition to electric vehicles (EVs) may reduce battery demand and result in lower sales volumes.	While battery demand may remain subdued due to delayed EV adoption, The Company is actively evaluating production line conversions to capture growing demand for Energy Storage Systems (ESS) driven by the expansion of renewable energy capacity.	Revenue ↓
	Reputation	⑧ Decline in Stakeholder Trust in Climate Action	Medium-term	External pressure and reputational risks may increase financing costs, worsen procurement conditions, reduce customer demand, and hinder talent acquisition.	The Company has committed to achieving Scope 1 and Scope 2 carbon neutrality by 2040 and aims to maintain a leading position in carbon reduction. As stakeholder interest in carbon management systems and emissions performance continues to grow, the Company communicates its climate strategy, carbon neutrality initiatives, and emissions performance through various channels, including CDP, ESG Reports, and its corporate website.	Cost ↑ Cost of Sales ↑ Revenue ↓

Short-term: within 1 year, Mid-term: within 3 years, Long-term: within 5 years

*Information on the RE100 transition rate is available on page 141.

Physical Risk Assessment

LG Energy Solution has assessed the potential financial impacts of acute physical risks, including droughts, wildfires, typhoons, floods, and heatwaves, through production disruptions, damage to assets and inventory, and increased manufacturing costs. To assess these risks, the Company analyzed site-specific exposure based on the IPCC's SSP-RCP scenarios and conducted scenario analyses covering production disruptions, damage to assets and inventory, recovery costs, insurance premiums, and declines in labor productivity. In accordance with its company-wide crisis management regulations, the Company has established an emergency response committee and maintains proactive response and rapid recovery systems for each stage before and after climate-related events. In the event of a climate-related incident, the Company will promptly activate a committee-led decision-making process to minimize impacts and continue strengthening resilience across its sites and supply chain.

Category			Period	Business Impact	Response Status	Financial Impact
Physical	Acute	① Drought	Medium-term	If droughts become more frequent or prolonged, constraints on industrial water supply may increase, potentially leading to higher water costs and regional water charges. As water is essential for process cleaning, cooling, and equipment operation in battery manufacturing, increases in water costs may affect the cost structure	The Company continuously improves the operational efficiency of production and utility facilities to reduce water consumption. The Company also minimizes cooling loads by maintaining appropriate indoor temperatures.	Cost ↑ Cost of Sales ↑
	Acute	② Wildfire	Short-term	Damage to production facilities or external infrastructure caused by wildfires may disrupt normal operations until manufacturing processes are restored. Recovery and replacement activities may result in emergency repair and restoration costs. As wildfire risks increase, insurance premiums may rise and coverage requirements may become more stringent.	The Company maintains comprehensive property insurance covering factory buildings and facilities to prepare for natural disasters, including wildfires.	Cost ↑ Cost of Sales ↑
	Acute	③ Typhoon	Long-term	Typhoons may cause facility damage, power outages, flooding, and logistics disruptions, affecting the normal operation of battery manufacturing processes. Additional costs may arise from facility recovery and emergency repairs, while production interruptions may lead to operational losses. More frequent and severe typhoons may also increase insurance costs through higher premium rates and reduced coverage.	In accordance with its company-wide crisis management regulations, the Company has established an emergency response committee and maintains proactive response and rapid recovery systems before and after climate-related events. In the event of a climate-related incident, the Company will promptly activate a committee-led decision-making process to minimize impacts and continue strengthening resilience across its sites and supply chain. In addition, the Company maintains comprehensive property insurance covering factory buildings and facilities against natural disasters, including typhoons.	Cost ↑ Revenue ↓
	Acute	④ Heatwave	Long-term	As heatwaves become more frequent and intense, greater temperature and humidity control may be required at operational sites, resulting in longer operating hours for cooling systems and higher electricity consumption. Maintaining stable environmental conditions for process reliability and product quality may increase cost volatility. In addition, measures to protect employee health and safety, such as workforce redeployment, adjusted working hours, and additional rest periods, may require overtime or additional shift personnel, increasing labor costs.	The Company plans to optimize the efficiency of HVAC system across production and utility facilities to minimize increases in energy costs. The Company also aims to prevent productivity losses associated with climate change by maintaining appropriate indoor temperatures and improving workplace conditions.	Cost ↑
	Acute	⑤ Flood	Long-term	Flooding may cause physical damage to buildings and critical equipment, as well as contamination of work-in-progress inventory and raw materials. Flood prevention infrastructure, including drainage systems, flood barriers, waterproofing measures, and site elevation adjustments, may be required to mitigate these risks.	In accordance with its company-wide crisis management regulations, the Company has established an emergency response committee and maintains proactive response and rapid recovery systems.	Cost ↑

Short-term: within 1 year, Mid-term: within 3 years, Long-term: within 5 years

Climate Opportunity Assessment

LG Energy Solution identifies growing demand for low-carbon products, improvements in energy efficiency, the transition to renewable energy, and the expansion of resource circularity as key opportunities. These opportunities are expected to contribute to revenue growth, lower manufacturing costs, and greater long-term cost stability. The impacts of energy efficiency improvements and electricity cost reductions were assessed using internal roadmaps and NGFS electricity price scenarios. Potential financial benefits, including premiums for low-carbon product and enhanced brand value, were assessed qualitatively due to limitations in quantitative measurement.

	Category	Timeframe	Business Impact	Financial Impact
Opportunity	Increased Demand for Low-Carbon Products and Technologies	Long-term	Growing demand for low-carbon products and technologies may increase revenue through higher order volumes, improved selling prices, and greater production-line utilization. In the battery industry, stronger requirements for low-carbon certification and LCA-based procurement standards may further support sales growth of premium products. Additional revenue opportunities may also arise from government programs, incentives, and the expansion of sustainable procurement initiatives.	Revenue ↑
	Energy Efficiency Opportunities	Long-term	Battery manufacturing sites consume significant amounts of electricity and operate with substantial fixed loads, making electricity consumption and tariff structures key drivers of short-term costs. Energy efficiency improvements can reduce electricity expenses by reducing electricity comsumption for the same production output or optimizing load patterns to improve effective electricity pricing. These benefits may directly contribute to lower operating costs and manufacturing costs.	Cost ↓
	Stabilization of Raw Material Supply Chains for the Low-Carbon Transition	Long-term	Greater use of recycled raw materials may improve price stability within the raw material procurement structure. Raw materials sourced through spot markets are typically exposed to fluctuations in global commodity prices, while recycled materials are often secured through longer-term contracts or internal circular systems, helping mitigate market volatility. Given the significant price volatility of key battery materials such as lithium, nickel, and cobalt, greater procurement stability may reduce manufacturing cost volatility, improve cost predictability, and enhance operational stability.	Cost of Sales ↓
	Growing Demand for Low-Carbon Materials	Mid-term	Rising demand for low-carbon materials and batteries may support both higher sales volumes and improved selling prices through premium pricing. As production volumes increase, fixed costs can be spread across a larger output base, reducing unit costs. Stronger customer requirements for carbon information and evolving procurement standards may also enhance price negotiation power. In addition, increased demand for recycled critical raw materials may support higher prices and volumes, while recycled materials may command premiums due to supply constraints and certification requirements.	Revenue ↑ Cost of Sales ↓
	Enhanced Product Competitiveness Through Carbon Data	Short-term	Carbon-related information, including product carbon footprints and LCA-based data, may become an important product competitiveness differentiator, supporting increased orders and production volumes and creating fixed-cost leverage. As customer procurement standards become more stringent, data-driven competitiveness may strengthen customer retention and business expansion. In addition, combining carbon transparency with localized sourcing may create benefits through tax credits, reduced tariffs, and lower logistics costs. Enhanced brand value may also improve customer preference, supporting sales growth and market share gains.	Revenue ↑ Cost ↓ Cost of Sales ↓
	Expansion of Power Source Decarbonization	Long-term	As power generation becomes increasingly decarbonized, the cost of carbon-intensive electricity is expected to reflect not only fuel costs but also carbon pricing and regulatory compliance costs. These structural changes are likely to increase the long-term cost of carbon-intensive electricity, creating opportunities to reduce exposure to future energy cost increases through decarbonized power sources.	Cost ↓
	Growth of the Renewable Energy Market	Mid-term	As climate action and carbon neutrality policies strengthen, demand for energy-efficiency infrastructure continues to expand across industries. Governments and global supply chains increasingly encourage the adoption of energy-saving technologies, high-efficiency equipment, and real-time monitoring systems. Against this backdrop, manufacturers, including battery producers, may improve their cost structures through renewable energy deployment. Renewable energy investments, REC trading, and PPAs can optimize electricity procurement. Greater access to green finance and sustainability-linked loans may also reduce financing costs, while a more stable electricity procurement structure could lower both electricity costs and price volatility over the long term.	Cost ↓ Cost of Sales ↓

Short-term: within 1 year, Mid-term: within 3 years, Long-term: within 5 years

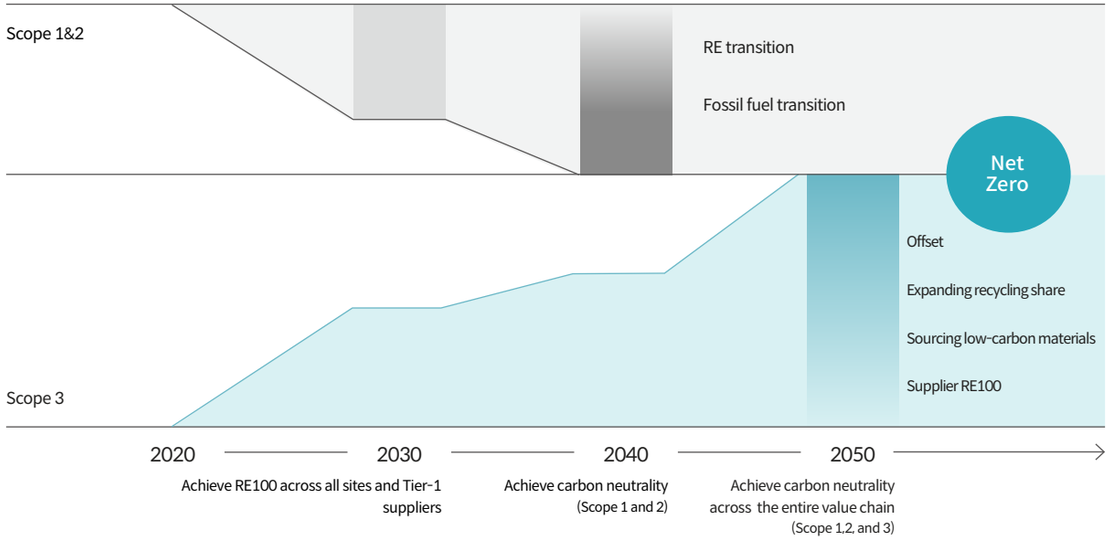
Carbon Neutrality Strategy

In 2015, 195 Parties adopted the Paris Agreement and agreed to limit the increase in global average temperature to 1.5°C above pre-industrial levels (1850–1900). Accordingly, a global pathway was established to reduce greenhouse gas emissions by approximately 45% from 2010 levels by 2030 and achieve net zero emissions by 2050. In response to these global climate goals, South Korea, the EU, Japan, and other countries have announced carbon neutrality targets for 2050 and voluntarily submitted Nationally Determined Contributions (NDCs) reflecting these targets to the United Nations Framework Convention on Climate Change (UNFCCC). LG Energy Solution established its strategy with the goal of achieving carbon neutrality by 2050 based on long-term battery market demand forecasts and business plans, as part of its commitment to supporting global efforts to address climate change. The Company set 2021, the year following its spin-off from LG Chem, as its GHG emissions baseline and is implementing phased emissions reduction targets aligned with the Paris Agreement pathway.

[LG Energy Solution Mid- to Long-Term Carbon Neutrality Targets]

- 2030 Reduce GHG emissions by at least 53% from the 2021 baseline through RE100 implementation across all sites
- 2040 Achieve carbon neutrality for Scope 1 and Scope 2 emissions
- 2050 Achieve carbon neutrality across the entire value chain (Scope 1, 2, 3)

[LG Energy Solution Carbon Neutrality Strategy]



GHG Emissions Management and Carbon Reduction in Key Supply Chains

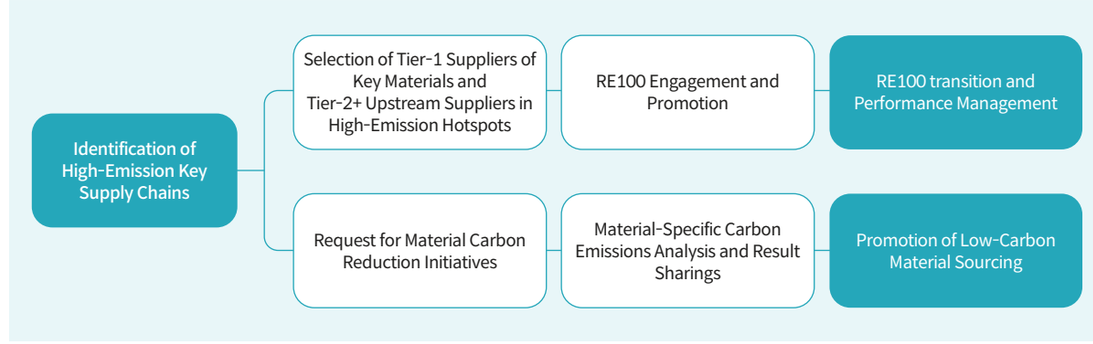
GHG Emissions Status and Carbon Neutrality Strategy

Most of the greenhouse gases generated in the battery manufacturing process result from the use of heat and electricity. Approximately 70–80% of the Company's total GHG emissions are indirect emissions (Scope 2) from electricity use and some external steam use, while the remaining 20–30% are direct emissions (Scope 1) from fuel combustion such as Natural gas and gasoline. To achieve carbon neutrality (net zero emissions), the Company continues to identify ways to minimize energy use in its processes and transition electricity consumption to renewable sources. The carbon neutrality strategy and reduction targets are updated periodically every year and reported to the ESG Committee, and the Company drives company-wide implementation monitoring and response through the Carbon Neutrality Council in collaboration with relevant departments.

Supply Chain Carbon Reduction Strategy and Key Tasks

To respond to global regulations and customer demands for carbon reduction, LG Energy Solution is actively implementing its supply chain carbon reduction strategy. Based on Life Cycle Assessment (LCA), which quantitatively analyzes the environmental impact of products from raw material extraction to processing, transportation, use, and disposal, a hotspot analysis was conducted to identify key supply chains where carbon emissions are concentrated. Two key priorities have been identified: promoting RE100 adoption among Tier-1 suppliers of key materials and Tier-2 suppliers in high-emission hotspots (cathode active materials, precursors, etc.), and increasing the sourcing of low-carbon materials to support suppliers' efforts to achieve carbon reduction targets.

[Supply Chain Carbon Reduction Strategy]



Carbon Neutrality Strategy by Year

2030 Target

LG Energy Solution (Scope 1 and Scope 2)

LG Energy Solution has been actively advancing its climate action efforts since becoming the first company in the global battery industry to join both the RE100 (Renewable Electricity 100) and EV100 (Electric Vehicle 100) initiatives in April 2021.

- **GHG Reduction and RE100 Implementation**

  The Company has adopted an Absolute Reduction Approach, which focuses on reducing Scope 1 and Scope 2 greenhouse gas emissions regardless of business growth. Under this approach, the Company has established a target to reduce greenhouse gas emissions by at least 53% by 2030 compared with 2021 levels and is managing a phased implementation plan to achieve this goal. In addition, the Company plans to transition 100% of its electricity consumption to renewable energy across all sites by 2030. As part of these efforts, the Company has procured renewable electricity through various mechanisms, including Renewable Energy Certificates (RECs), virtual Power Purchase Agreements (vPPAs), and the Green Premium program. Going forward, the Company will continue to expand its use of renewable energy.

- **EV100 Implementation and Transition to Zero-Emission Transportation**

  To reduce GHG emissions in the transportation sector, the Company has committed to transitioning 100% of owned and leased vehicles under 3.5 tons and 50% of vehicles between 3.5 and 7.5 tons to Zero-Emission vehicles. Accordingly, it is replacing vehicles for employee business and executive use with electric vehicles, increasing the transition rate from 10% in 2022 to 22% in 2025. The Company also continues to expand EV charging infrastructure across its global sites, including South Korea, China, Poland, and the United States.

Suppliers (Scope 3)

LG Energy Solution aims to transition 100% of the electricity used by all Tier-1 suppliers in the supply chain for raw material and component production to renewable energy by 2030. The Company plans to actively support RE100 adoption among Tier-1 suppliers of key materials for battery manufacturing, such as cathode active materials, anode active materials, copper foil, and separators, as well as suppliers of other materials and components, including electrolytes and aluminum foil. To this end, the Company has distributed the Supplier Guidelines on Carbon Neutrality through a dedicated supplier portal and is conducting renewable energy transition training for major component suppliers. Furthermore, starting in 2025, the Company regularly inspect and manage the renewable energy usage, transition methods, and implementation plans of major suppliers to systematically drive a low-carbon transition across the entire supply chain.

Year	Supplier Carbon Reduction Activities – Progress and Plan
2025	• Facilitate SME suppliers' participation in government-led CBAM* consulting and verification programs to enhance their carbon emissions accounting capabilities and export competitiveness • Establish a supply chain integrated information system to build a foundation for managing carbon emissions data of suppliers' products.
2026	• Participate in government programs supporting suppliers' carbon neutrality efforts. • Update the Supplier Guidelines on Carbon Footprint Calculation and collect and monitor reliable LCA data for cathode active materials, anode active materials, and electrolytes to comply with the EU Battery Regulation (Article 7: Carbon Footprint). • Expand monitoring coverage gradually from 2027 onward

* CBAM (Carbon Border Adjustment Mechanism): An EU mechanism that imposes an additional carbon price on imported goods to reflect a carbon cost equivalent to that applied to products manufactured within the EU.

2040 Target

LG Energy Solution (Scope 1 and Scope 2)

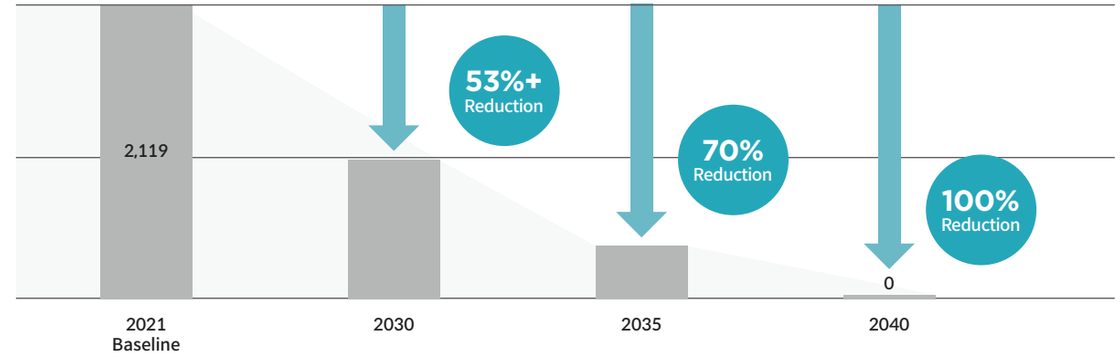
LG Energy Solution aims to reduce the use of fossil fuels, such as LNG, and fossil fuel-based energy (such as steam) to achieve company-wide carbon neutrality by 2040. To this end, the Company plans to optimize energy consumption by improving the efficiency of its energy systems and transitioning to fossil fuel-free production processes. In addition, the Company will transition major heat-generating systems, such as steam boilers, to low-carbon energy sources, including biomethane. Any unavoidable residual emissions will be offset through externally sourced carbon reduction credits.

Energy Efficiency	Process Efficiency and Energy Optimization	Renewable Electricity	On-site Generation, PPAs, RECs, Green Tariffs, etc.
Energy Transition	Low-and Zero-carbon Fuel Transition and Electrification	Carbon Offset	Development of External Reduction Projects

※Subject to change depending on policy and market conditions.

[LG Energy Solution Carbon Neutrality Roadmap]

Unit: 1,000tCO$_2$eq



※ Detailed action plans for implementing carbon neutrality targets contain commercially sensitive information, and are thus provided within the disclosable scope.

Suppliers (Scope 3)

LG Energy Solution continuously conducts Life Cycle Assessments (LCA) across its battery supply chain. Based on these assessments, the Company has identified Tier-2 and upstream suppliers with high carbon emissions within key material supply chains as Carbon Reduction Hotspots* and plans to support their transition to 100% renewable electricity in production processes.

* Carbon Reduction Hotspots: Cathode precursors, metal refining and smelting, separator substrates, etc.

2050 Target

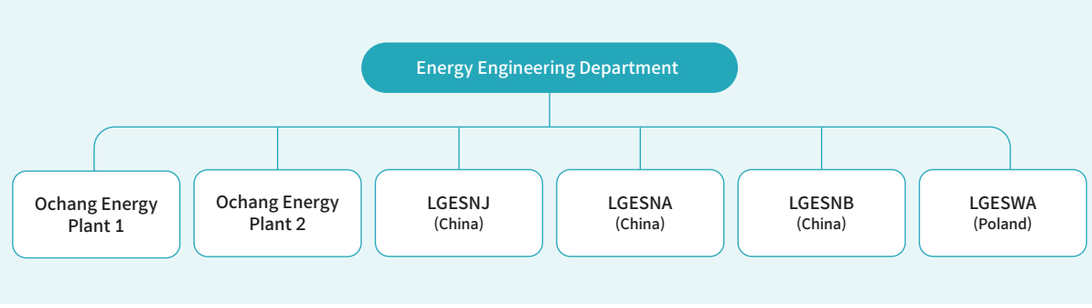
LG Energy Solution aims to achieve carbon neutrality not only across all operations (Scope 1 and 2) by 2040, but also throughout its entire value chain by 2050. To achieve this goal, the Company seeks to further expand value chain decarbonization efforts by supporting suppliers' carbon reduction initiatives and establishing a circular resource system, while also participating in external carbon reduction activities to contribute to greenhouse gas emissions reduction.

- **Strengthening Supply Chain Carbon Emission Management**
  The Company plans to expand carbon emissions monitoring beyond Tier-1 suppliers (final raw material supply) to include upstream suppliers involved in activities such as mining, refining, and smelting. In addition, the Company will actively support suppliers' participation in RE100 and carbon reduction activities.
- **Establishing a Battery Circular Ecosystem**
  The Company will gradually increase the use of recycled and low-carbon raw materials to reduce reliance on virgin materials derived from carbon-intensive mining activities. Through these efforts, the Company aims to reduce the carbon footprint of its batteries and establish a stable circular materials ecosystem.
- **Advancing External Carbon Reduction Initiatives through Stakeholder Collaboration**
  The Company will contribute to climate action and community well-being by developing renewable energy generation facilities and Energy Storage Systems (ESS) near its domestic and overseas sites. Furthermore, it will actively support climate-vulnerable regions around the world in collaboration with diverse stakeholders, including customers, NGOs, and local communities.

GHG Management and Reduction Implementation

Energy and GHG Management System

LG Energy Solution has established a systematic management framework and shares reduction targets through the Global Energy Council, consisting of leaders and responsible functions for energy and GHG management at each site. The Council meets monthly to share best practices in applying reduction technologies and improvement initiatives across sites.



Energy Management System

LG Energy Solution practices systematic energy management to efficiently manage energy consumption and achieve its energy transition targets.

- **Establishment of a Company-wide Energy Management System**
  The Company has established internal energy management standards in accordance with the requirements of ISO 50001. These standards are communicated through the Enterprise Standard Management (ESM) system to support consistent energy management across all sites.
- **Energy Monitoring and Performance Management**
  The Company has established a company-wide Energy & Utility Management system (EUM) to measure and record energy consumption for each production facility in real time. The system also identifies inefficient facilities and systematically uncovers energy-saving opportunities through trend analysis and cross-facility comparisons.
- **Integrated Data-driven Management**
  Energy consumption is calculated based on legally metered data within the organizational boundaries of each subsidiary. Total energy consumption is managed on an integrated basis, reflecting the characteristics of energy sources used by each subsidiary through the application of energy-related regulations in each country or standard energy conversion factors published by the International Energy Agency (IEA).
- **Regular Reporting and Strategic Alignment**
  Energy data aggregated on a monthly basis is integrated into GHG reduction strategies and renewable energy transition plans. The data is regularly reported to the ESG Committee and the Carbon Neutrality Council and is used to review reduction performance and develop future implementation strategies.

Ochang Energy Plant 1 and 2 and three manufacturing sites in China (LGESNJ, LGESNA, LGESNB) have obtained ISO 50001 certification. Going forward, the Company plans to share energy management best practices through the Global Energy Council and expand certification to additional sites, including its manufacturing site in Poland.

[ISO 50001 Certified Sites]

Country	Site
Korea	Ochang Energy Plant 1
	Ochang Energy Plant 2
China	LG Energy Solution (Nanjing) Co., Ltd.
	LG Energy Solution Battery (Nanjing) Co., Ltd.
	LG Energy Solution Technology (Nanjing) Co., Ltd.

GHG Emissions Calculation and Data Management

LG Energy Solution manages company-wide energy consumption and GHG emissions performance through the Energy & Utility Management Performance System (EUM-P).

GHG Emissions Measurement Approach

LG Energy Solution has established a GHG inventory in accordance with the GHG Protocol (2004) to ensure the accurate measurement of GHG emissions. For defining the organizational boundary, the Company applies the Operational Control approach, one of the Control Approaches recommended by the GHG Protocol, and includes GHG emissions from all subsidiaries and joint ventures (JVs) under its operational control in the reporting boundary.

Operational Control
Refers to the authority of a company or subsidiary to introduce and implement operating policies for a specific operation.

When calculating GHG emissions, the GHG Protocol is applied as the primary methodology in accordance with the Climate-Related Metrics guidance under IFRS S2 (Climate-related Disclosures). However, where regulatory authorities or stock exchanges require alternative emissions quantification methodologies, the applicable local requirements are applied. Accordingly, GHG emissions from operations in Korea are calculated in accordance with the Guidelines for Reporting and Verification of Emissions under the Korea Emissions Trading Scheme (K-ETS), while emissions from operations in Poland are calculated based on the EU ETS Monitoring Methodology.

[GHG Measurement and Calculation Methodology by Scope]

Scope 1 and 2	• The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (**Revised Edition**) • The Greenhouse Gas Protocol: Scope 2 Guidance • Framework Act on Carbon Neutrality and Green Growth (**Guidelines for Reporting and Verification of Emissions under the Emissions Trading Scheme**) • Other GHG emissions quantification standards required by regulatory authorities and stock exchanges
Scope 3	• GHG Protocol Corporate Value Chain (**Scope 3**) Accounting and Reporting Standard (**2011**) • Guidance for Scope 3 GHG Emissions Accounting for the Secondary Battery Industry (**Korea Environmental Industry & Technology Institute, KEITI**)

Inputs Used in GHG Emissions Calculation

The seven GHGs (carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride) were converted into carbon dioxide equivalents based on the 100-year Global Warming Potentials (GWPs) assessed by the latest IPCC.

Scope		Activities	
		Activity Data	Emission Factor
Scope 1	Stationary Combustion	LNG, Diesel, Kerosene, Propane	Korea: Country-specific emission factors (Energy Act, etc.) Overseas: Country-specific emission factors, IEA emission factors, etc.
	Mobile Combustion	Gasoline, Diesel, LPG	Korea: Country-specific emission factors (Energy Act, etc.) Overseas: Country-specific emission factors, IEA emission factors, etc
Scope 2	Purchased Electricity	Electricity Consumption	Korea: Country-specific emission factors (Energy Act, etc.) Overseas: Country-specific emission factors, IEA emission factors, etc
	Purchased Steam	Steam Consumption	Steam emission factors provided by steam suppliers and country-specific steam emission factors
Scope 3**	Purchased Goods and Services	Raw Material Purchase Records (2025)	Material-specific emission factors (LCI DB)
	Capital Goods	Investment Records by Subsidiary	Industry-specific emission factors based on industry classification (EEIO*)
	Fuel- and Energy-Related Activities	Fuel and Energy Consumption	Upstream fuel and energy emission factors and transmission and distribution (T&D) loss emission factors
	Upstream Transportation and Distribution	Raw Material Purchase Records, Supplier Addresses, and Receiving Site Addresses	Mode-specific emission factors (road, ocean, air transport)
	Waste Generated in Operations	Waste Generation by Waste Type and Treatment Method	Emission factors by waste type and treatment method
	Business Travel	Business travel records (mode of transport (air travel, rail, bus, etc.) and travel distance)	Mode-specific emission factors
	Employee Commuting	Employee commuting vehicle usage and distance traveled	Road transportation emission factors
	End-of-Life Treatment of Sold Products	Product production volume (2025)	Battery end-of-life emission factors

*EEIO (Environmentally Extended Input-Output)
** Based on the GHG Protocol Technical Guidance for Calculating Scope 3 Emissions, a calculation checklist has been established and is used to define and manage the annual Scope 3 disclosure boundary

Energy Efficiency Implementation and Investment Performance

Energy Efficiency Performance

LG Energy Solution establishes company-wide energy reduction targets each year to enhance employee awareness of energy conservation and GHG reduction and to encourage active participation in reduction activities. The annual energy reduction target has been increased from 1,430 TJ in 2021 to 1,812 TJ in 2025, with actual performance consistently exceeding the target.

[Annual Energy Savings]

Category	2023	2024	2025
Plan*	1,741 TJ	1,767 TJ	1,812 TJ
Actual*	2,309 TJ	2,490 TJ	3,672 TJ
Investment (CapEx)**	-	KRW 4,634 million	KRW 12,328 million
Cost (OpEx)**	-	KRW 431,259 million	KRW 569,779 million

*Energy savings plans and actual results are estimated savings calculated based on internal standards.
**Energy-saving investment and cost data have been managed and disclosed since 2024.

LG Energy Solution carries out a variety of energy-saving initiatives considered site-specific characteristics, with key achievements summarized below.

[Key Energy-Saving Achievements by Site]

Country	Site	Initiatives	Key Achievements
Korea	Ochang Energy Plant 1	Optimization of dehumidification HVAC control	Reduced electricity and steam consumption through optimization of dehumidification HVAC control operations
	Ochang Energy Plant 2		
China	LGESNJ	Recovery of high-temperature exhaust heat from electrode processes	Reduced natural gas (NG) consumption through recovery of high-temperature exhaust air from electrode processes
	LGESNA	Recovery of high-temperature exhaust heat from formation processes	Reduced natural gas (NG) consumption through recovery of high-temperature exhaust air from formation processes
	LGESNB	Heat exchanger efficiency improvement	Reduced natural gas (NG) consumption through improved air heat exchanger efficiency
Poland	LGESWA	Application of free cooling during winter	Reduced chiller electricity consumption through free cooling using outdoor air during winter (as an alternative to cooling towers)

Examples of Energy Efficiency Improvement Investments

Case 1 Reducing Steam and Electricity Consumption Through Improved Dehumidification HVAC Control

Dehumidification HVAC systems, which continuously supply low-humidity air to dry rooms, require a high-temperature heating process using steam and electric heaters to remove moisture from regeneration rotors. By improving the control systems and adjusting steam and electricity consumption according to rotor conditions, energy consumption was effectively reduced.

Case 2 Recovery and Reuse of High-Temperature Exhaust Heat in Electrode Processes

In conventional electrode drying processes, externally supplied air heated through heat exchange with thermal oil, which is heated by natural gas, was used for drying and then entirely discharged, resulting in increased natural gas consumption. To improve energy efficiency, a system was established to recover and reuse high-temperature exhaust air generated during production processes as a heat source for coater ovens, thereby educing the amount of gas used for product drying.

Case 3 Deployment of Renewable Energy to Reduce External Energy Consumption

LG Energy Solution is actively promoting the deployment of renewable energy facilities for self-consumption to improve energy efficiency and reduce GHG emissions. Solar photovoltaic (PV) systems have been installed at the Ochang sites in Korea and the Nanjing sites in China. The electricity generated is used in site operations, reducing reliance externally sourced electricity.

Raising Awareness and Enhancing Capabilities

Energy Training for Employees

LG Energy Solution provides company-wide employee training to enhance employees' expertise in energy facilities and raise awareness of energy consumption reduction. Key training programs are presented below.

[2025 Energy Training Performance]

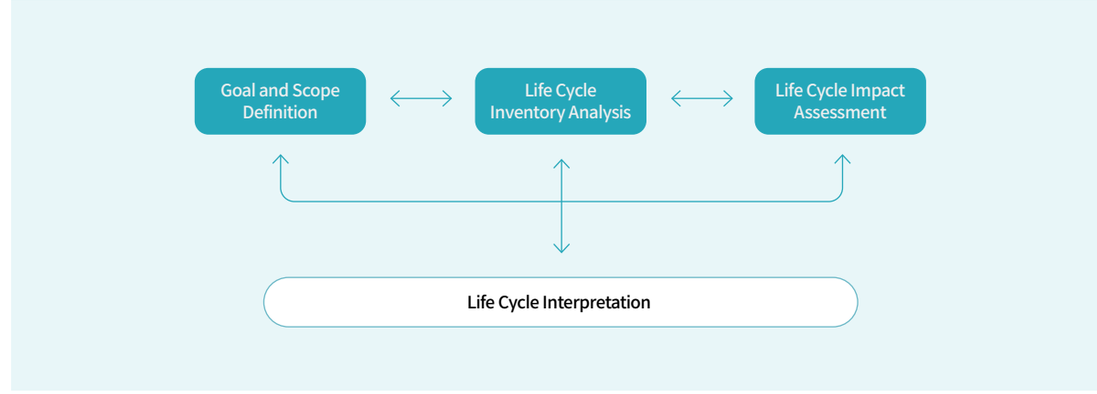
Training Category	Training Topic	Number of Participants
Utility Equipment Management	Introduction to the Utility Matrix System	21
	Energy Saving and Operational Stabilization of New and Expanded Utility Facilities	17
	Practical Energy-Saving Technologies for Utility Facilities	20
	Utility Cost Reduction	35
Power Facilities	PLC, HMI, Inverters, and Power Equipment	23
	PLC & HMI	16
	Inverter & Servo	14
	Basic Principles of Electrical and Building Controls, Power Quality Management, Protective Relays & Meters	12
	High- and Low-Voltage Circuit Breakers, EOCR & EOCR Edge	7
	eTap / Tips for North American Power Facility Design	6
Main Utility Equipment	Battery Plant Mechanical Design Standard Part 1	2
	Battery Plant Mechanical Design Standard Part 2	2
	Mechanical Construction Cost Part 1	3
	Mechanical Construction Cost Part 2	5
HVAC/Refrigeration Equipment	Practical Training on HVAC and Refrigeration	56
	Establishing Chiller Operation Sequences to Reduce Operating Costs	18
	UPS Operation for OPEX Reduction, HVAC Facilities and Representative Cases	10
Energy Management	EU Battery Regulation, Product/Company-wide Decarbonization Strategy, Decarbonization Transition Solutions	11
Other Capability Building Training	Improvement Cases for Overseas Business Trips	34
Total		**312**

Battery Carbon Footprint Management

Overview of Life Cycle Assessment (LCA)

Life Cycle Assessment (LCA) is a methodology used to assess the energy and mineral resources consumed, as well as impacts on air, water, and soil environments, throughout a product's entire life cycle (cradle-to-grave), from raw material extraction and processing to manufacturing, transportation, use, and end-of-life treatment. The Company introduced LCA in 2019 to systematically evaluate the potential environmental impacts of its products and shares the results transparently with key stakeholders, including customers. The assessment results are actively utilized to calculate product carbon footprints, identify major environmental hotspots across raw materials and the value chain, and establish mid- to long-term carbon neutrality strategies.

[LCA Stages (ISO 14040)]

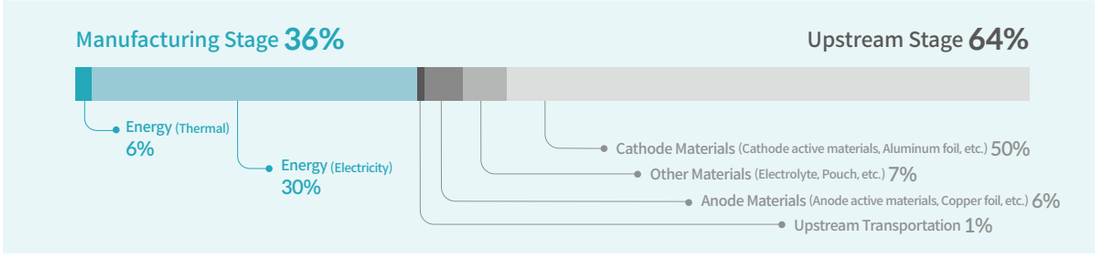


[LCA Steps]

Goal and Scope Definition	• Define the objective and scope of the LCA study • Establish the assessment scope for the target product and each life cycle stage
Inventory Analysis	• Collect data on energy and material inputs and outputs throughout the product life cycle • Calculate and compile life cycle inventory results
Impact Assessment	• Assess the environmental impacts (e.g.,global warming) associated with inputs and outputs
Interpretation	• Interpret the results of the life cycle inventory analysis and impact assessment

Since 2019, LG Energy Solution has continuously obtained Environmental Product Declaration (EPD) certifications based on the results of Life Cycle Assessment (LCA). As of the end of 2025, a total of 27 products, including 25 EPD-certified products and 2 products verified through third-party LCA assessments, had undergone environmental performance verification. Production of these products accounted for approximately 40% of the Company's total production volume.
Results from product carbon footprint calculations based on LCA indicate that, although some variations exist depending on key suppliers and manufacturing site locations, approximately 36% of GHG emissions are generated during cell manufacturing processes (including electrode production, cell assembly, formation, and module/pack assembly), while approximately 64% occur during raw material production and transportation.
Based on these findings, efforts are being made to reduce direct GHG emissions by improving energy efficiency and expanding the use of renewable energy in battery manufacturing processes. At the same time, key raw material suppliers are supported in managing and reducing their GHG emissions. Through these efforts, decarbonization initiatives across the value chain are being strengthened, while the foundation for achieving mid- to long-term carbon neutrality goals continues to expand.

[Battery Carbon Footprint Composition]



Environmental Product Declaration (EPD)

Environmental Product Declaration (EPD) is a third-party certified program that discloses quantified environmental impact information across a product's entire life cycle, including impacts related to climate change, resource use, water pollution, and air pollution, based on Life Cycle Assessment (LCA) results. To align with domestic and international environmental policies, the program was developed in accordance with internationally recognized standards and requirements, including ISO 14020, ISO 14025, the ISO 14040 series, ISO/TS 14027, ISO 14046, the ISO 14064 series, and ISO 14067.

Supply Chain Carbon Management and Collaboration

Revision of the Supplier Guidelines on Carbon Neutrality

To support suppliers in understanding carbon neutrality policies and implementing them in a systematic manner, LG Energy Solution established the Supplier Guidelines on Carbon Neutrality in 2023. The guideline provides clear direction on key elements of carbon neutrality management, including governance, target setting, and roles and responsibilities.

In 2025, the guideline was revised to further strengthen implementation requirements by clarifying the definition of renewable energy and introducing more detailed procedures for verifying renewable energy usage. Through these enhancements, suppliers' carbon neutrality implementation capabilities were further advanced.

Integrated Supply Chain Information System

In 2025, an Integrated Supply Chain Information System was established to collect LCA-based carbon emissions data from Tier 1 to Tier N suppliers and to strengthen carbon emissions monitoring across the supply chain.
Based on this system, key materials and processes with high carbon emissions are identified, forming the basis for practical supply chain-wide carbon reduction initiatives.

Supplier Training Programs

To proactively respond to the mandatory disclosure of electric vehicle (EV) battery carbon footprints under Article 7 (Carbon Footprint) of the EU Battery Regulation beginning in 2027, LG Energy Solution has identified enhancing the response capabilities of suppliers of key materials, including cathode materials, anode materials, and electrolytes, as a key priority.
Once the Delegated Act for the calculation and verification of the carbon footprint of electric vehicle batteries under EU Battery Regulation is published, the Company plans to revise the relevant guideline accordingly. Continuous training programs will then be provided to suppliers to establish a robust and collaborative response framework for carbon footprint regulations.

Supplier Carbon Reduction Support Programs

Supporting Infrastructure Development for Compliance with the EU CBAM

To strengthen mutually beneficial cooperation with SMEs, LG Energy Solution works with the Korea SMEs and Startups Agency(KOSME) to support suppliers' participation in consulting and verification programs for CBAM(Carbon Border Adjustment Mechanism) compliance. Through these efforts, suppliers can strengthen their carbon emissions accounting capabilities, while enhancing LG Energy Solution's readiness for CBAM compliance, overcoming global carbon trade barriers, and improving export competitiveness.

- 2025 Key Achievement: Enhanced carbon emissions accounting capabilities through support provided to four suppliers (two cell component suppliers, one pack component supplier, and one equipment supplier).

Renewable Energy Transition Performance Recognition Process

In preparation for the full-scale implementation of RE100 by suppliers, LG Energy Solution established a Renewable Energy Transition Performance Recognition Process in 2024. Under this process, suppliers are required to transition their electricity consumption to renewable energy and provide supporting evidence for the selected procurement methods. Since 2025, the Company has regularly reviewed and managed the RE100 implementation performance of key suppliers.

Resource Circularity

Second Life for Used Batteries

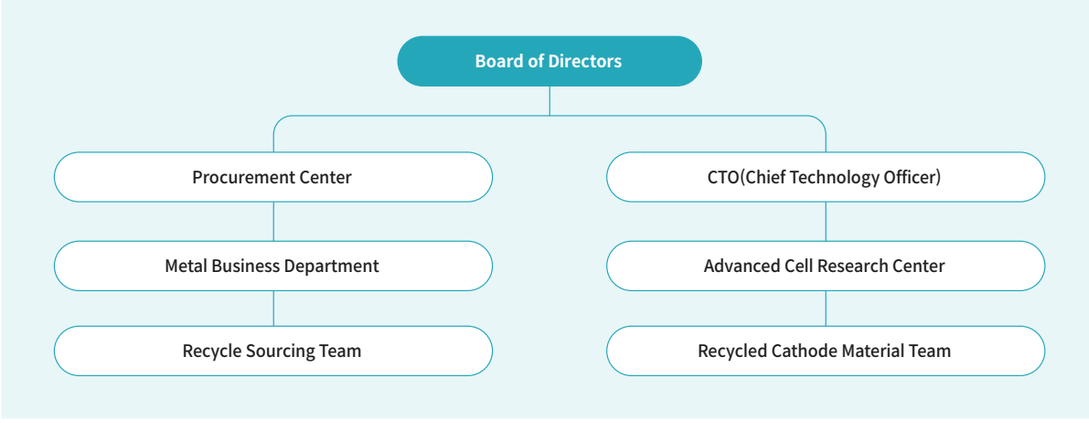
In recent years, policies and regulations related to end-of-life batteries have been rapidly introduced, particularly in Europe, the United States, and China. Notably, the European Union (EU), through the EU Battery Regulation, requires all batteries placed on the market to demonstrate environmental sustainability and safety throughout their entire life cycle, from production to recycling. Accordingly, batteries sold in the EU are subject to differentiated requirements regarding minimum recycled content and mandatory collection rates depending on battery categories, including portable batteries, light means of transport (LMT) batteries, industrial batteries, and electric vehicle (EV) batteries.

To proactively respond to the evolving global regulatory landscape, LG Energy Solution is building a closed-loop system across the battery value chain, encompassing raw material production, consumption, end-of-life management, and recycling. In addition, the Company continues to strengthen partnerships with specialized local partners to expand the reuse and recycling of end-of-life batteries and the recycling of manufacturing scrap in line with global environmental standards.

Establishing Battery Resource Circularity Governance

To strengthen sustainable business operations, including battery recycling, LG Energy Solution has established a Board-level governance framework and operates dedicated organizations with expertise in battery recycling, along with dedicated teams responsible for the development of recycled cathode materials. These efforts support the Company's environmental stewardship and provide a foundation for sustainable long-term growth.

[Resource Circularity Governance]



Resource Circularity for Future Competitiveness

Establishing a Closed-Loop Resource Circularity System

LG Energy Solution is strengthening its battery circularity system to respond to environmental regulations, including the EU Battery Regulation, and to secure a stable supply of recycled metals. In particular, the Company aims to increase the recycling rates of key raw materials, including lithium, nickel, and cobalt, to reduce waste generated during manufacturing processes and expand the use of recycled materials. Currently, recovering metals solely from manufacturing scrap* is insufficient to meet regulatory recycled content requirements. To address this challenge, the Company is expanding its global network and strengthening collaboration across Europe, North America, and Asia. Starting in 2027, it aims to operate pre-processing facilities in partnership with local partners in key global hubs, enabling a stable supply of recycled metals.

* Manufacturing scrap: defective cells, modules, and electrode waste generated during battery manufacturing

[Roadmap for Establishing a Closed-Loop Resource Circulation System]

Collection	Pre-Processing	Post-Processing	Precursor/Cathode Material	Battery Production
LG Energy Solution (Process Scrap) & Partners (End-of-Life Batteries)	LG Energy Solution's Pre-processing Partners	LG Energy Solution's Post-processing Partners	LG Energy Solution's Cathode Material Suppliers	LG Energy Solution
Establish a large-scale end-of-life battery collection network covering key regions in the EU and North America	Establish pre-processing facilities in partnership with local partners in the EU and North America	Review collaboration opportunities with companies possessing relevant mass-production experience	Use recycled metals in battery cells produced by LG Energy Solution	

[Minimum Recycled Content Requirements under the EUBR (Art. 8)]

Battery Category	Timeline	
	From August 18, 2031	From August 18, 2036
Industrial Batteries (above 2 kWh)	Cobalt 16%, Lithium 6%, Nickel 6%	Cobalt 26%, Lithium 12%, Nickel 15%
EV* Batteries		
SLI** Batteries		
LMT*** Batteries	Not Applicable	

*EV: Electric Vehicle **SLI: Starting, Lighting, Ignition ***LMT: Light Means of Transport (e.g., e-bikes, e-kick scooters, e-scooters)

Through this circular resource system, LG Energy Solution aims to support compliance with the recycled content requirements of the EU Battery Regulation while contributing to the development of a global resource circulation network. To this end, the Company plans to expand the use of recycled materials to align with the recycled content requirements of 16% cobalt, 6% lithium, and 6% nickel effective from 2031, and 26% cobalt, 12% lithium, and 15% nickel effective from 2036.

Battery Recycling Joint Venture Cases

Establishing Global Battery Recycling Partnerships

To strengthen the closed-loop resource circulation system for end-of-life batteries, LG Energy Solution is establishing battery recycling joint ventures (JVs) with global partners. These newly established JVs are designed to serve as specialized pre-processing facilities that collect end-of-life batteries and manufacturing scrap from local markets and safely shred and process them into black mass, an intermediate material used in battery recycling.

Case 1 **EV LOOP, a Joint Venture with Derichebourg (DBG) in France**

In December 2025, LG Energy Solution established EV LOOP in partnership with Derichebourg (DBG) of France. The facility is targeted to commence operations in 2028 and achieve a processing capacity of more than 20,000 tonnes of end-of-life batteries and manufacturing scrap annually. It is planned to serve as a battery recycling hub in Europe.

Case 2 **Green Metals Battery Innovations (GMBI), a Joint Venture with Toyota Tsusho**

In May 2025, LG Energy Solution signed an agreement with Toyota Tsusho to establish Green Metals Battery Innovations (GMBI), LLC. Black mass produced at the GMBI facility in Winston-Salem, North Carolina, will undergo additional post-processing to recover critical metals such as lithium, cobalt, and nickel. These recovered materials are expected to be used in cathode materials and battery manufacturing processes before ultimately being incorporated into batteries for Toyota electric vehicles.

Development of Recycled Cathode Materials

LG Energy Solution is advancing battery recycling technologies to establish a closed-loop resource circulation system. In particular, efforts are focused on developing technologies that utilize recycled raw materials for key cathode chemistries, including NCM and LFP, as well as process technologies that enable their efficient application. In addition, the Company is conducting in-house R&D while maintaining close collaboration with suppliers to improve overall resource recovery rates and streamline recycling processes.

Development of Recycled Metal Traceability System

Once detailed requirements for calculating recycled content under the EU Battery Regulation are finalized, LG Energy Solution plans to establish a company-wide Recycled Metal Content Tracking System. Through this system, the Company will systematically track the amount of recycled metal used in annual shipments by manufacturing site and customer, ensure compliance with global regulations through transparent data management, and achieve its recycled content targets.

Battery Reuse

LG Energy Solution is pursuing a company-wide battery reuse strategy to maximize resource circularity and create new business opportunities. The Company has established a systematic process covering the collection, assessment, remanufacturing, and reuse of end-of-life batteries. In addition, demonstration projects are being carried out across various applications, including power grids, commercial facilities, and uninterruptible power supply (UPS) systems in Korea and overseas, to further expand the utilization of reused batteries.

Battery Reuse Process

Batteries collected after use in electric vehicles generally retain approximately 70%-80% of their initial charge-discharge capacity, and can therefore be reused depending on their State of Health (SoH). LG Energy Solution is establishing a systematic battery reuse process to utilize end-of-life batteries as valuable energy resources.

SoH (State of Health) : Refers to the current performance state of a battery compared to its initial performance, serving as a key indicator of the battery's remaining life.

Collection of End-of-Life Batteries

At this stage, batteries that can no longer be used in electric vehicles due to vehicle retirement, accidents, or other reasons are recovered. End-of-life batteries collected through regional collection networks undergo an initial assessment to determine whether they are suitable for reuse or recycling, after which batteries designated for reuse are transported and stored separately under appropriate safety controls.

Reconditioning

At this stage, collected batteries undergo visual inspections and technical assessments, including electrical testing and lifetime evaluation, to determine their suitability for reuse. Based on the assessment results and intended applications, batteries are graded and classified accordingly, while those that do not meet reuse requirements are directed to recycling to maximize resource circularity.

Refurbishing

At this stage, reused batteries are commercialized through application-specific solutions designed to achieve cost competitiveness. To support commercialization, solutions are developed to meet performance, quality, and certification requirements, while prioritizing safety, optimizing product design, and improving manufacturing efficiency.

End-of-Life Battery Reuse Demonstration Projects

LG Energy Solution is conducting a range of strategic projects in Korea and overseas to validate battery reuse solutions and proactively develop diversified business models. In Korea, demonstration projects have been carried out for reuse ESS applications linked to EV charging stations at the Ochang Energy Plant and charging stations in Seogwipo and Aewol, Jeju. In addition, a demonstration project for a reuse ESS system for telecommunications UPS (Uninterruptible Power Supply) applications has been implemented in Naju, Jeollanam-do. Overseas, the Company is developing a reuse ESS project integrated with renewable energy generation in Texas, United States. Through these ongoing initiatives and continuous improvement efforts, the Company continues to build core expertise in end-of-life battery reuse.

UPS (Uninterruptible Power Supply)

A device that stably supplies power even when power supply is interrupted or failures occur due to abnormal situations such as power outages.

Packaging Circularity System

LG Energy Solution is minimizing waste generation and establishing a resource circularity system through the collection, reuse, recycling, and application of recycled materials in packaging.

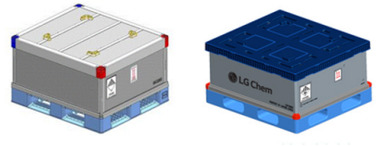
External Packaging Reuse

Packaging containers used for transporting products externally are designed to be compatible with various product models. LG Energy Solution has developed and utilized recoverable packaging to minimize packaging waste generated during logistics. In particular, returnable boxes and steel racks are used to transport cells and electrodes, and reusable returnable containers have also been introduced for some pack products. Transport packaging delivered to customers is recovered as empty containers by transportation methods arranged by LG Energy Solution. Afterwards, they are returned to the business sites for reuse after undergoing cleaning and sorting processes for damage and contamination.

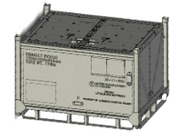
[At Shipment] [Upon Return]



Returnable Electrode Packaging



Returnable Cell Packaging

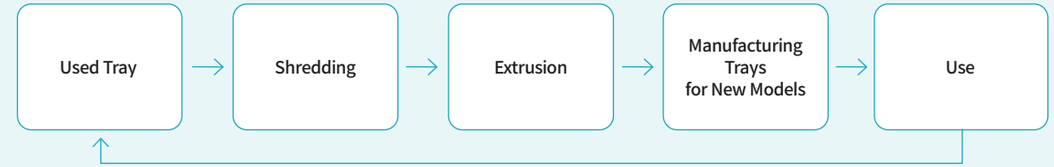


Returnable Pack Packaging

Internal Packaging Materials Recycling

Plastic trays used for packaging battery cells are mainly utilized when shipping automotive and ESS batteries. To promote resource circularity, LG Energy Solution engraves separate discharge marks on these trays to encourage recycling. Typically, customized packaging containers are manufactured according to the shape of the cell model, but after production of the model ends, they are reused as raw materials for packaging containers of other models through a plastic recycling process.

[Plastic Tray Recycling Process]



In addition, recycled raw materials obtained through commercial procurement and in-house recycling account for more than 70% of the internal packaging containers for cell models. To gradually expand the use of recycled packaging in the future, the Company plans to continuously monitor related new technologies and market trends, and review practical application plans.



Plastic Trays for Cell Packaging

[Use of Recycled Materials] Unit: ton

Material Name	2025 Usage
ABS	2,907

Waste Generation Management

As resource depletion and waste generation become increasingly pressing global challenges, establishing a circular resource system that minimizes the consumption of natural resources while promoting the reuse and recycling of materials has become a key ESG priority. In response, LG Energy Solution is committed to environmental protection and resource circularity by minimizing waste sent to incineration and landfill across its operations and actively expanding waste recycling initiatives. In particular, the Company is focusing on key initiatives to establish a model battery circular ecosystem through systematic battery waste management. To this end, the Company has strengthened its waste management framework by establishing a battery waste information and traceability management system. The Company is also expanding its resource recovery infrastructure through the operation of specialized waste recovery facilities and pursuing technological innovation in the circular economy by developing technologies that enhance resource recycling efficiency and recovery rates.

Definition of Waste

LG Energy Solution classifies waste generated throughout the battery manufacturing process and implements optimized management measures for each waste type. By identifying the characteristics of waste and establishing efficient treatment and recycling strategies, it seeks to maximize resource circularity while minimizing environmental impact.

[Waste Types and Generation Processes]

Process	Major Waste	Definition
Electrode	Electrode and slurry scrap	Residual slurry and aluminum/copper foil scrap, whether coated or uncoated with active materials
	Liquid waste	NMP (waste organic solvent)*, which is a cathode solvent, and by-products from the recovery process
Assembly	Material processing scrap	Electrode edges, separator residues from the notching and cutting processes, and metal scrap from tab forming
	Defective semi-finished cells	Semi-finished cells discarded due to stacking or winding errors
Formation	Defective finished cells	Finished cells determined to have voltage or insulation defects during charge-discharge and aging tests
Pack	Pack assembly and auxiliary material scrap	Components such as pack cases and busbars, and residues of thermal interface materials used inside packs
Others (Receiving, shipping, etc.)	Packaging and logistics waste	Packaging materials and transport auxiliary materials generated during the procurement of raw and auxiliary materials and shipping

* NMP (N-Methyl-2-Pyrrolidone): Used as a binder solvent when manufacturing cathode active materials in the lithium-ion battery manufacturing process

Waste Management System

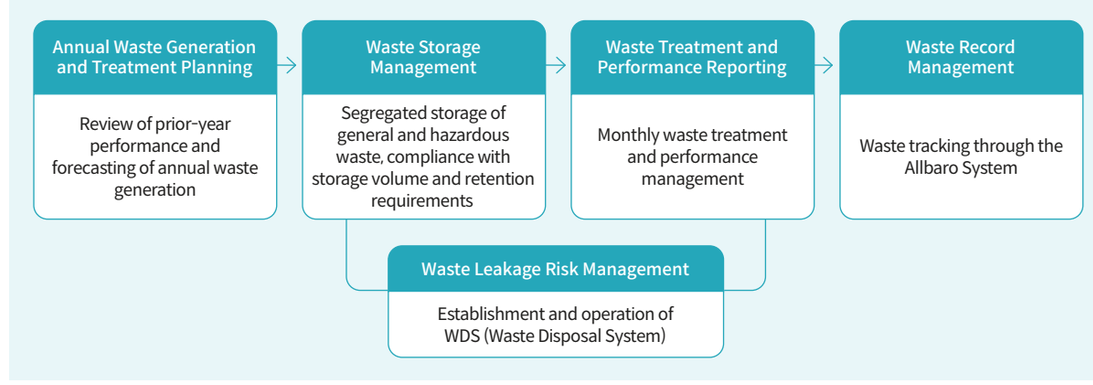
LG Energy Solution identifies and manages resource circularity initiatives throughout the entire waste lifecycle, from product manufacturing to final treatment, to ensure systematic waste management and reduce waste generation at the source. Through annual audits, it reviews the previous year's performance, establishes annual waste generation and treatment plans, forecasts expected waste volumes, and identifies opportunities to improve waste management performance, thereby strengthening its waste management framework. In addition, waste is stored in strict compliance with applicable legal requirements to minimize environmental impacts.

All waste generated at the Company's sites is treated by qualified third-party service providers in accordance with applicable regulations. Waste treatment contractors are selected through environmental assessments, regulatory compliance reviews, and evaluations of treatment suitability by waste type based on internal standards. The Company also conducts annual environmental assessments of these contractors to ensure ongoing oversight and continuous post-management.

The Company has strengthened its management framework for spent batteries, including charged cells and modules, which could pose legal and reputational risks if improperly released outside the Company. To mitigate such risks, it has introduced internal battery deactivation processes, such as saline treatment and electrical discharge, to reduce the risk of unauthorized external leakage. In addition, the Company operates the Waste Disposal System (WDS), a company-wide standardized platform for waste traceability management, enabling the monitoring of the entire waste management process from generation to final treatment. Furthermore, regular assessments of recycling partners and verification of disposal records are conducted to ensure proper management and prevent the unauthorized diversion of discarded cells and modules.

Waste that has undergone final treatment is managed through performance reporting and record-keeping procedures and is tracked through Korea's national waste management platform, the Allbaro System. Through these integrated waste management activities, the Company strives to ensure regulatory compliance and enhance transparency in waste management.

[Waste Management Process]



Resource Circularity and Waste Reduction Strategy

Incineration Waste Reduction

- **Reduction of Incineration Waste Generation at Chinese Sites** (LGESNJ, LGESNA, LGESNB)

  The three sites in China improved the operating conditions of their on-site wastewater treatment facilities by developing waste liquid treatment technologies and optimizing coagulant formulations for waste liquid generated during the anode production process. Through these efforts, impurities such as graphite were effectively removed from the waste liquid, contributing to a reduction in the volume of waste sent for incineration.

- **Reduction of Anode Slurry and Waste Liquid Generation at Polish Site** (LGESWA)

  LGESWA in Poland benchmarked and adopted a best practice from the China sites involving the coagulation and sedimentation treatment of anode waste liquid followed by the removal of supernatant liquid. As a result, the site achieved a 40–50% reduction in the total volume of anode slurry and waste liquid generated.

Resource Circularity and Waste Reduction Achievements

- **Introduction of New Recycling Technology for Waste Electrode Material Solvent** (NMP)

  LGESNJ, LGESNA, and LGESNB in China developed an innovative recycling technology for waste electrode material solvent (NMP), which accounts for approximately 85% of their hazardous waste generation. Through laboratory-scale testing, the effectiveness of thin-film evaporation technology was successfully validated, increasing the NMP recycling rate from approximately 80% to 97%.
  To expand these resource circularity and waste reduction efforts globally, the technology has been implemented at the Ochang Energy Plant and LGESWA (Poland) since 2024. In particular, Ochang Energy Plant 1 recovered a total of 308,970 kg, equivalent to 62% of its total waste NMP generation in 2025, maximizing resource circularity performance.

- **Expansion of Packaging Material Recovery and Reuse**

  LGESWA in Poland reuses plastic pallets supplied with raw materials, such as cathode materials, by returning them to transportation providers for repeated use. Through this recovery system, the site minimizes the need for the production of new plastic pallets and reduces plastic waste generation.

- **Establishment of a Circular Reuse System for Formation Trays**

  During the charge-discharge process used to verify cell performance in the cell manufacturing process, specially designed trays are utilized to improve the efficiency of cell handling and equipment connectivity. Trays that are damaged or have deteriorated physical properties are processed into raw materials by specialized waste management companies and then supplied to tray manufacturers for the production of new trays. Through this closed-loop circular reuse system, the Company promotes resource circularity and reduces waste generation.

Global Zero Waste to Landfill Initiative

LG Energy Solution actively promotes the recycling of waste generated at its sites and strives to minimize landfill disposal. In particular, its domestic operations achieved a recycling rate of 92% in 2025, exceeding the annual target of 90%. Among them, Ochang Energy Plant 1 achieved a 100% resource recovery rate and earned the Platinum certification level.
For overseas operations, LGESNJ, LGESNA, and LGESNB in China achieved a 100% resource recovery rate and received the highest Platinum certification from UL (Underwriters Laboratories), a globally recognized certification body. In addition, LGESMI in the US obtained Landfill Zero certification from the National Sanitation Foundation (NSF), which verified that less than 1% of its total waste was sent to landfill.
The Company plans to complete Zero Waste to Landfill (ZWTL) certification for its major global manufacturing sites by 2027. It will also continue to advance a wide range of resource circularity initiatives to ultimately achieve zero waste to landfill across all operations.

Country	Site	2025 Status	~2027 Target
Korea	Ochang Energy Plant 1	100% (Platinum)	100% (Platinum)
	Ochang Energy Plant 2	-	90% (Silver)
China	LG Energy Solution (Nanjing) Co., Ltd.	100% (Platinum)	100% (Platinum)
	LG Energy Solution Battery (Nanjing) Co., Ltd.		
	LG Energy Solution Technology (Nanjing) Co., Ltd.		
Poland	LG Energy Solution Wroclaw sp. z o.o.	-	90% (Silver)
United States	LG Energy Solution Michigan Inc.	99.37% (Based on NSF)	Maintain NSF Certification

Waste Management Training

LG Energy Solution proactively manages the risk of unauthorized leakage of spent batteries through the implementation of the Waste Disposal System (WDS). It also continuously monitors and analyzes spent battery generation and disposal trends to identify and implement effective waste reduction measures. To ensure the stable operation of the system, user training is provided for newly adopted sites, with additional training conducted as needed to continuously enhance employees' awareness of waste management and reduction.

Environmental Management

LG Energy Solution has established an environmental management governance framework led by its highest decision-making body. In accordance with its environmental policies and guidelines, the Company systematically manages and oversees implementation across its sites and maintains a sustainable business management system. In addition, it continues its efforts to protect local communities and the environment while fostering environmentally responsible workplaces.

Environmental Management Framework

Environmental Management Governance

LG Energy Solution has established and operates a systematic environmental management governance in accordance with the 'Environmental Management Regulations' and the 'Environmental Health and Safety Management System Operating Regulations'. Through this, the Company thoroughly manages the environmental impacts arising from business operations and production activities, and continuously improves its environmental performance. The Board of Directors, the Company's highest decision-making body, comprehensively manages and oversees environment-related risks and the environmental management system. The Board annually reviews major environmental issues, key performance outcomes, and future action plans to provide strategic directions for environmental management and strengthen accountable governance.

[Environmental Governance Structure]



LG Energy Solution has established an integrated collaboration and communication system among its global and domestic environmental management organizations, environmental management teams at each site, and operational functions within business divisions responsible for implementing environmental management activities. Based on clearly defined roles and responsibilities, each organization works toward the shared goal of successful environmental management.

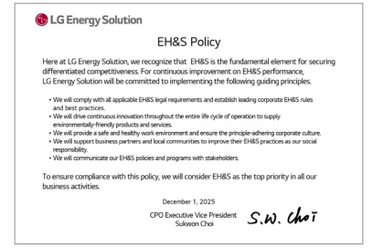
Role of the Board of Directors

The Board of Directors oversees environment-related risks and the environmental management system and deliberates and approves major matters, including environmental management processes and environmental investments.

Management and Functional Departments

The Safety and Environment Officer and relevant departments oversee the execution of environmental policies and the environmental management system. To ensure systematic environmental management, they carry out the following key activities:

- **Goal Setting and Performance Linkage**
  Environment-related indicators and targets are established, and their implementation status is regularly monitored. The results are reflected in and managed through the Key Performance Indicators (KPIs) of major executives and responsible departments.
- **Establishing a Safe Working Environment**
  Indicators and targets are established to create a fundamentally safe working environment through continuous improvement of environmental safety technologies and strengthened risk management. In addition, the Safety and Environment Officer's commitment to continuously improving environmental performance is clearly reflected in the Company's EH&S Policy. commitment to continuous improvement of environmental performance can be clearly confirmed through the 'EH&S Policy'.


LG Energy Solution

EH&S Policy

Here at LG Energy Solution, we recognize that EH&S is the fundamental element for securing differentiated competitiveness. For continuous improvement on EH&S performance, LG Energy Solution will be committed to implementing the following guiding principles.

- We will comply with all applicable EH&S legal requirements and establish leading corporate EH&S rules and best practices.
- We will drive continuous innovation throughout the entire life cycle of operation to supply environmentally-friendly products and services.
- We will provide a safe and healthy work environment and ensure the principle-adhering corporate culture.
- We will support business partners and local communities to improve their EH&S practices as our social responsibility.
- We will communicate our EH&S policies and programs with stakeholders.

To ensure compliance with this policy, we will consider EH&S as the top priority in all our business activities.

December 1, 2025

CPO Executive Vice President Suhwon Choi S.W. choi

EH&S Policy

LG Energy Solution Global Environmental Policy

LG Energy Solution's Global Environmental Policy has expanded and specified its scope of application not only to its own business operations but also across the entire supply chain, and has raised compliance standards, thereby strengthening the practical commitment and binding force for ESG code management within the supply chain. Accordingly, it requires all stakeholders, including organizations, business partners, suppliers, service providers, and contractors, to comply with this policy and actively participate in sustainability activities. In addition, to enhance the effectiveness of the policy, the Company continuously monitors the implementation status and periodically reviews the policy details to reflect domestic and international environmental regulations, stakeholder demands, and changes in the business environment. Furthermore, it aims to practically advance the level of environmental impact management across the entire supply chain by further strengthening environmental management standards for suppliers, expanding the use of recycled raw materials, and requiring suppliers to avoid sourcing raw materials produced in globally or nationally significant biodiversity areas. This policy is managed under the company-wide ESG governance framework, and major enactments or amendments are reported to the Board of Directors following deliberation and review by the ESG Committee.

Establishment of Environmental Management System

LG Energy Solution has established a reliable environmental management system by acquiring ISO 14001 certification for 100% of its wholly owned manufacturing sites. The Company continuously supports and monitors environmental management practice at these sites to ensure alignment with its global standards. Based on this framework, it conducts regular third-party certification audits and internal assessments to monitor environmental impacts and systematically implement mitigation measures to minimize adverse environmental impacts.

[ISO 14001 Certified Sites]

Country	Site
Korea	Headquarters
	Ochang Energy Plant 1
	Ochang Energy Plant 2
	R&D Campus Daejeon (Daejeon)
	R&D Campus Gwacheon / R&D Campus Magok
China	LG Energy Solution (Nanjing) Co., Ltd.
	LG Energy Solution Battery (Nanjing) Co., Ltd.
	LG Energy Solution Technology (Nanjing) Co., Ltd.
Poland	LG Energy Solution Wroclaw sp. z o.o.
United States	LG Energy Solution Michigan Inc.
Canada	NextStar Energy Inc.

*Based on currently operating wholly owned sites of LG Energy Solution

Environmental Health and Safety Management System

LG Energy Solution operates an integrated EHS system to enhance the efficiency and accuracy of Environmental Health and Safety (EHS) management. Through this system, the Company systematically manages vast amounts of EHS data and supports prompt and accurate decision-making based on core functions such as emergency response, risk assessment, safe work permits, and accident and non-conformance management. In addition, the Company proactively prevents environmental risks at its sites and advances sustainable environmental management by establishing and rigorously implementing procedures for air emissions, water, soil, waste, and chemical substance management.

Item	Details
Air, Water, Soil	Environmental impact assessments are conducted to evaluate the consequences and likelihood of environmental aspects. Measures to mitigate identified environmental impacts, along with their implementation status and improvement progress, are documented and systematically managed at the site level.
Waste	The Company utilizes a waste generation management system to monitor waste generation and recycling volumes across all sites. In particular, scrap materials with high resource value are managed through a separate management system that ensures transparent traceability throughout the entire lifecycle, from generation and collection to storage and final disposal.
Chemical Substances	To ensure the safe handling of chemical substances, the Company has established and operates comprehensive management guidelines. In addition, through its integrated chemical substance management system, it centrally identifies and manages information on all raw and subsidiary materials used across its operations.

Environmental Awareness and Training

LG Energy Solution strives to raise environmental safety awareness among employees alongside direct environmental impact reduction activities. To this end, the Company provides the following mandatory training programs for new hires to help create a safe and pleasant working environment.

- **Material Safety Data Sheet (MSDS) Training**
  Guidance on the hazards of chemicals used in production processes and their proper handling procedures.
- **Confined Space Work Environment Training**
  Training on safe work pratices and work environment management for confined spaces.

[2025 Environmental Training Performance]

Training Program	Participants
Hazardous Chemical Technical Personnel/Manager Training	38
Hazardous Chemical Handler Training	447
Hazardous Chemical Worker Training	5,224
Waste Discharger Training	3
Chemical Accident Prevention and Management Plan Specialized Training	2
Legal Training for Environmental Engineers (Air)	3
Legal Training for Environmental Engineers (Water Quality)	1
Inwhawon (Introduction to Safety & Environment)	2
Inwhawon (ESG Management Practice)	1
Total	5,721

Environment, Health and Safety Awards Program

LG Energy Solution operates a company-wide Environment, Health and Safety (EHS) Awards Program each year to foster a proactive EHS culture among employees and promote environmentally responsible workplaces. The program is open to all employees and management across all sites, rather than being limited to dedicated EHS organizations. Structured in accordance with the EHS Rewards and Disciplinary Guidelines, the program recognizes individual contributions while encouraging cross-functional collaboration, thereby strengthening a culture of continuous EHS improvement throughout the organization.

Scope	Award Category	Criteria and Description	Administered by
Company-wide (All employees including management)	Outstanding Theme (Project)	Selection and recognition of outstanding presented at the EHS Performance Sharing Conference	SEO
	Outstanding Site	Recognition for sites demonstrating excellence in accident prevention activities and key EHS performance indicators	
	Outstanding Employee (Individual)	Recognition of employees who serve as role models by demonstrating exemplary activities based on a strong commitment to EHS	

Environmental Risk and Regulatory Compliance

Environmental Regulatory Compliance

LG Energy Solution proactively identifies environmental compliance risks and conducts regular preventive activities. Its environmental compliance program is structured around five key pillars: the establishment of internal regulations and operational standards, employee training, site inspections and assessments, regulatory monitoring, and system development. In 2025, the Company identified a list of 58 environmental regulations applicable to its domestic operations and monitored regulatory updates to anticipate and address potential impacts on its sites. In particular, air emissions, water management, waste, chemicals, and soil are designated as priority areas due to their significant financial and external implications, and are subject to ongoing monitoring.

[Major Environmental Regulations Responded to by LG Energy Solution]

Country	Regulation Name
Korea	[Water Quality] Water Environment Conservation Act, [Air] Clean Air Conservation Act, [Waste] Wastes Control Act [Hazardous Chemicals] Chemical Control Act, Act on Registration and Evaluation of Chemicals Substances [Soil] Soil Environment Conservation Act
United States	[Water Quality] Clean Water Act, [Air] Clean Air Act, [Waste] Resource Conservation and Recovery Act (RCRA) [Hazardous Chemicals] Toxic Substances Control Act (TSCA)
China	[Water Quality] Law of the People's Republic of China on Prevention and Control of Water Pollution [Air] Law of the People's Republic of China on Prevention and Control of Atmospheric Pollution
Canada	[Air] Ontario Regulation 419/05
Poland	[Integrated] Environmental Protection Law

Environmental Impact Assessment

LG Energy Solution has established the Environmental Impact Assessment Guidelines to assess and systematically manage the actual and potential environmental impacts of its business activities. Based on these guidelines, the Company conducts a six-step environmental impact assessment across the full lifecycle of activities, products, and services at all domestic and overseas sites. In addition, pursuant to the Pre-Environmental, Health and Safety (EHS) Review Guidelines, the Company conducts technical EHS reviews prior to the introduction, modification, or decommissioning of machinery and equipment associated with hazardous operations, fire protection, hazardous materials, gas, and environmental management facilities to ensure compliance with applicable regulations.

1. Identification of Environmental Impact Assessment Scope

Environmental impact assessments are conducted annually for production operations and every three years for non-production operations. Additional assessments are performed when significant changes occur, such as the establishment of new sites or modifications to production processes and facilities.

2. Identification of Environmental Impacts

Environmental impacts associated with production and non-production activities are identified and analyzed, including all direct and indirect impacts related to business operations.

3. Identification of Environmental Aspects

Material balance sheets are prepared throughout the entire process, from raw material receipt to product shipment, to identify and quantify potential environmental impacts at each stage.

4. Environmental Impact Assessment

Identified environmental impacts are quantitatively assessed based on their severity and likelihood of occurrence, and improvement measures are developed to minimize environmental impacts.

5. Review of Assessment Results

Assessment results and proposed improvement measures are comprehensively reviewed, and reassessments are conducted when necessary to ensure reliability.

6. Integration into Targets and Follow-up Management

Final assessment results are incorporated into environmental targets to establish improvement plans and support ongoing management. The results are also shared with employees to enhance environmental awareness

Data Disclosure through the Environmental Information Disclosure System

The Environmental Information Disclosure System, established under the Environmental Technology and Environmental Industry Support Act, aims to encourage voluntary corporate environmental management and foster a broader foundation for environmental stewardship across society. The system also contributes to the expansion of green finance by providing financial institutions with verified environmental information, thereby supporting green lending and investment in environmentally responsible companies. As a company subject to environmental information disclosure requirements, LG Energy Solution transparently discloses key environmental information on a regular basis, including its environmental management framework, resource and energy conservation activities, and environmental pollutant reduction targets and performance.

Environmental Target Setting and Management

LG Energy Solution strives to minimize environmental impacts and improve environmental performance across its sites. The Company establishes internal pollutant emission targets that are more stringent than applicable regulatory limits and manages pollutant emissions. In addition, environmental and safety risks are proactively identified and addressed through pre-environmental impact assessments conducted for all investment projects.

Pollutant Emission Management and Environmental Investment

- **Establishment and Management of Internal Emission Targets**
  Centered primarily on its domestic sites, the Company manages air pollutants (dust, NOx, SOx, and THC) and water pollutants (TOC, TP, BOD, and SS) by establishing internal emission targets that are more stringent than regulatory limits. The Company also operates environmental management systems tailored to the characteristics of each site and applicable regulatory requirements.
- **KPI Integration and Monitoring**
  Internal environmental pollutant targets are incorporated into key performance indicators (KPIs) for sites. Emissions are monitored on a monthly basis, and sites exceeding established targets are subject to thorough root cause analysis and corrective actions.
- **Environmental Facility Investment and Operation**
  As of 2025, LG Energy Solution invested approximately KRW 2.8 billion in capital expenditures and KRW 4.0 billion in operating expenditures for the maintenance and improvement of environmental facilities across air, water, and waste management to minimize environmental impacts.

Pre-Environmental Impact Assessment and Implementation Monitoring

- **Pre-Review and Assessment**
  Pre-environmental impact assessments are conducted to manage critical environmental and safety issues not only for environmental investments but also for all other routine investment projects. When the responsible department completes an environmental and safety checklist prior to investment execution, the EHS department reviews the assessment, identifies potential issues, and provides guidance on necessary mitigation measures.
- **Action Plan Formulation and Monitoring**
  The investment execution department develops implementation plans for the recommended actions. Throughout the project period, it continuously shares implementation progress with the EHS department and incorporates the results into decision-making to promote investments that take environmental and safety considerations into account.

Environmental Impact Reduction and On-Site Implementation

Environmental Impact Reduction Activities

LG Energy Solution actively implements environmental pollution reduction initiatives to minimize the environmental impacts of its business activities. The Company operates systematic management programs to reduce pollutant emissions and promote resource circularity across various environmental areas, including air, water, soil, waste, and chemicals.

- **Air and Water Pollutant Management**
  LG Energy Solution proactively reduces pollutant emissions through the installation and operation of optimized pollution control facilities.
- **Waste and Chemical Management**
  The Company reduces hazardous chemical consumption and waste generation by implementing raw material recovery systems and waste recycling facilities in its manufacturing processes. In addition, waste and chemicals are managed efficiently through the Waste Disposal System (WDS) and the Hazardous Substance Management System (HSMS).
- **Soil Contamination Prevention**
  Soil contamination prevention facilities have been installed at designated soil contamination control facilities to prevent pollutants from leaking into the soil.

Supply Chain Environmental Management System

LG Energy Solution clearly sets out suppliers' responsibilities and obligations for environmental impact management, including hazardous substance management, in its Code of Conduct for Suppliers. To strengthen suppliers' environmental management capabilities, the Company conducts thorough assessments through both initial and periodic evaluations and verifies whether suppliers maintain internationally recognized certifications, such as ISO 14001, ISO 45001, and ISO 50001. Suppliers that fail to comply with the Code of Conduct or receive low ratings in periodic evaluations may be subject to measures such as restrictions on new business opportunities or reductions in order volumes, thereby encouraging continuous improvement in environmental management performance throughout the supply chain.

Environmental Impact Management

LG Energy Solution applies internal environmental standards that are stricter than domestic and international legal regulations to thoroughly manage pollutants generated during the production process.

Water Resource Management and Water Efficiency

LG Energy Solution has established a preemptive water resource risk management system in line with the growing global importance of water resource management due to climate change. Based on this system, the Company optimizes water consumption and continuously enhances its wastewater management practices.

Water Resource Risk Assessment and Governance

Company-wide Water Management System

LG Energy Solution has enacted and operates the 'Environmental Impact Assessment Regulations' to stably secure the water required for business activities. Through this, the Company identifies the availability of water supply before establishing a site, and proactively respond by analyzing various risks such as water-related laws and regulations in advance. In addition, all sites of LG Energy Solution do not directly withdraw groundwater. Each site receives processed water, such as industrial water and tap water, from external suppliers, which is calculated and managed as the total water withdrawal.

Water Stress Analysis by Global Site

LG Energy Solution analyzed the 'Water Stress' levels of its global production facility locations using the Aqueduct program of the World Resources Institute (WRI) to understand the impact of regional water scarcity due to climate change. This analysis evaluates the expected water stress in 2030 by applying the SSP3 (Shared Socioeconomic Pathways) and RCP (Representative Concentration Pathways) 7.0 scenarios as the BAU (Business As Usual) baseline.

[2030 Water Stress Risk]

Category	Manufacturing Site
1 Low (<10%)	[China] LGESNJ, LGESNA, LGESNB [United States] Ultium Cells 1 [Canada] LGESOT
2 Low-Medium (10%-20%)	[Poland] LGESWA
3 Medium-High (20%-40%)	[United States] LGESMI
4 High (40%-80%)	[Korea] Ochang Energy Plant 1 and 2 [Indonesia] PT. HLI Green Power
5 Extremely High (>80%)	[United States] Ultium Cells 2

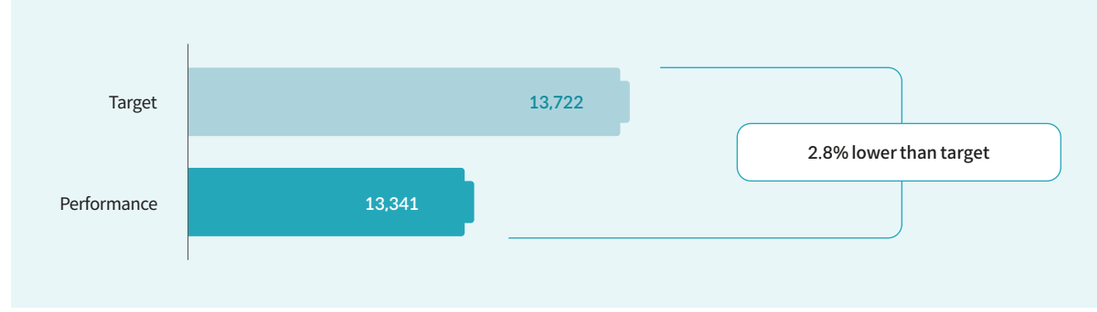
※ Based on manufacturing sites in operation as of the end of December 2025 (including joint ventures

Reducing Water Consumption through Enhanced Water Management

Data-driven Water Management and Optimization

LG Energy Solution systematically analyzes the water use process across its operations to enhance water management and maximize water-use efficiency. The Company continuously identifies and implements improvement opportunities to optimize water consumption. In addition, it monitors water use status in real time through the Energy & Utility Management system (EUM), immediately detecting and rapidly responding to abnormal patterns. Through these efforts, the Company improves operational efficiency by minimizing unnecessary water consumption. In addition, water use is optimized across all global sites through the establishment and systematic management of site-specific water withdrawal targets.

[2025 Company-wide Water Withdrawal Performance] Unit: kton



3-Year Water Withdrawal Performance

Water Consumption Reduction

LG Energy Solution closely monitors company-wide water consumption and proactively manages water-related risks identified through water stress assessments. To ensure a stable and sustainable water supply, the Company has established both short- and mid- to long-term targets and implements water reduction activities across all of its sites. In particular, the Company is optimizing water use by improving heat exchange efficiency through the cleaning of chilled water systems and by recovering steam condensate for reuse as process water and boiler feedwater, thereby reducing freshwater consumption.

Key Water Reduction Initiatives

Case 1 Reuse of Steam Condensate in Washing Processes

At its manufacturing sites in China, LG Energy Solution recovers 100% of high-temperature steam condensate generated after heat transfer in the manufacturing process and reuses it as water for washing processes.

Case 2 Reuse of Boiler Feedwater

LG Energy Solution reduces water consumption by reusing 60°C discharged hot water as boiler makeup water after heat exchange with high-temperature condensate from HVAC systems.

[Water Reuse Performance] Unit: ton

Category	2023	2024	2025
Steam Supply Volume	330,494	317,054	357,940
Condensate Recovery Volume	231,397	240,612	250,219
Recovery Rate*	70.02%	75.89%	69.91%

※ Based on Ochang Energy Plant 1
*Recovery rates for 2023–2024 have been recalculated to reflect corrections to the methodology used in previous reporting.

Case 3 Reduction of Domestic Water Consumption in Common Buildings

Ochang Energy Plant 1, located in a water-stressed area, implements various initiatives to reduce domestic water consumption in common buildings, including adjustments to water operating hours, installation of water-saving equipment (e.g., pads and sensors), and facility improvement projects.

Promoting a Company-Wide Water Conservation Culture

LG Energy Solution operates various training and participation programs to raise employees' awareness of water conservation through water efficiency management and encourage practical reduction activities.
In particular, the Company actively gathers creative ideas through 'Ensol E-Bank,' an internal program where employees can directly propose water-saving ideas. Excellent ideas among those proposed are shared and promoted company-wide to expand them to all sites, thereby establishing a company-wide water conservation culture.

Water Quality and Wastewater Management

Water Pollutant Management Standards

LG Energy Solution clearly distinguishes and manages wastewater and sewage. In accordance with the internal 'Water Quality Management Regulations', BOD (Biochemical Oxygen Demand), SS (Suspended Solids), and TOC (Total Organic Carbon) are defined as major water pollutants. For domestic sites, the Company manages water quality based on the inlet standards of public wastewater treatment plants, thereby minimizing the impact on the water quality of nearby water bodies.

[Internal Water Pollutant Management Standards]

Parameter	Unit	Regulatory Limit	Internal Standard
BOD (Biochemical Oxygen Demand)	Mg/L	≤100	≤30
SS (Suspended Solids)	Mg/L	≤100	≤20
TOC (Total Organic Carbon)	Mg/L	≤60	≤20

※ Based on Ochang Energy Plant 1

Wastewater Reduction Processes and Management Activities

Wastewater Reduction

LG Energy Solution operates a wastewater management system by applying internal standards that are stricter than legal limits to minimize environmental impacts from wastewater and achieve sustainable water resource management.

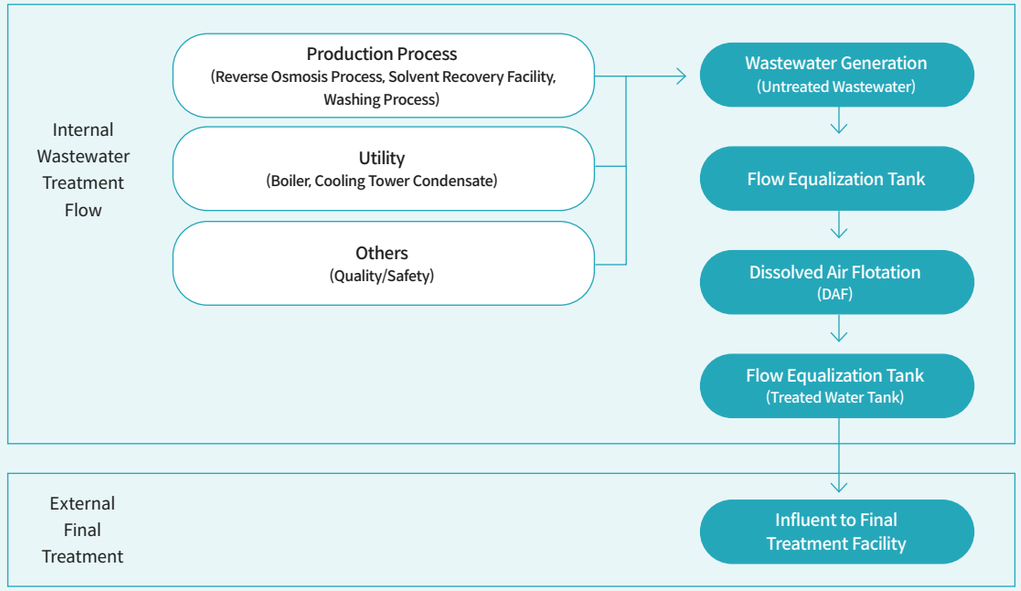
- **Strict Water Quality Monitoring and Discharge Management**
  LG Energy Solution operates its own wastewater treatment plants and joint treatment facilities, checking the daily wastewater generation across all sites. In addition, the Company has established a water quality monitoring system to thoroughly control the discharge of water pollutants and legally regulated substances in accordance with the permit standards for wastewater discharge facilities. It conducts regular internal water quality measurements in accordance with official test standards, and also performs monitoring that meets environmental assessment standards at least once a year through external specialized agencies.

- **Minimizing Wastewater Generation and Enhancing Resource Circularity**
  To reduce pollutant emissions, the Company operates wastewater treatment systems that wash and condense waste gases and dust generated from manufacturing and industrial facilities. At its overseas sites, the Company is promoting resource circularity improvement activities, such as re-introducing process wastewater from the SRP (Solvent Recovery Plant) for NMP (organic solvent) recycling back into the process, thereby fundamentally minimizing wastewater generation.

Wastewater Treatment Process

High-concentration wastewater generated during the battery manufacturing process is not directly discharged into nearby water bodies, but undergoes primary purification at the in-house wastewater treatment plant. The generated wastewater is collected in a water collection tank, and floating and suspended solids are removed through a Dissolved Air Flotation (DAF) process, followed by microbial degradation to oxidize organic matter. Subsequently, residual organic substances are finally treated through an ozone oxidation process, and then transferred to a Publicly Owned Treatment Works, POTW for safe treatment.

[Wastewater Treatment Process]



Air Pollutant Management

LG Energy Solution complies with the domestic 'Clean Air Conservation Act' and overseas air-related laws and regulations (such as the US Clean Air Act), and strictly manages air pollutants (dust, Nitrogen Oxides, Sulfur Oxides, formaldehyde, ethylbenzene, etc.) generated from air emission facilities. In particular, the Company has established internal air management regulations to apply its own management standards that are more stringent than regulatory limits.

[Internal Air Pollutant Management Standards for Domestic Sites]

Parameter	Unit	Regulatory Limit	Internal Standard	Remarks
Dust	mg/m^3	≤30	≤15	-
Sulfur Oxides (SOx)	ppm	≤10	≤5	Applicable to facilities installed after 2020
Nitrogen Oxides (NOx)	ppm	≤40	≤25	Applicable to facilities installed after 2015

*The internal standards specified in the Company's air quality management guidelines are set at 50% of the applicable regulatory emission limits and remain within the exemption threshold for Basic Air Pollutant Emission Charges (i.e., below 30% of the regulatory emission limit for each emission outlet).

Air Pollutant Treatment Process

LG Energy Solution has established and operates a systematic air pollutant management system to minimize environmental impacts arising from the battery manufacturing process. By operating air pollution control facilities tailored to the characteristics of each process, the Company effectively treats particulate and gaseous pollutants generated at each production stage.

Electrode Process

LG Energy Solution operates systematic air pollution control facilities to minimize air pollutant emissions from the electrode process (mixing and coating) and to promote resource circularity. Through these efforts, the Company minimizes the impact on the atmospheric environment while continuously enhancing resource utilization efficiency.

- **Particulate Pollutants:** Collected and treated through filtration-based dust collection systems.
- **Gaseous Pollutants:** Emissions are reduced through adsorption systems
- **NMP** (N-Methyl-2-Pyrrolidone) **Recovery:** Gaseous pollutants generated from solvent evaporation during the coating process are purified and recovered through a Solvent Recovery Plant (SRP) to be recycled as raw materials

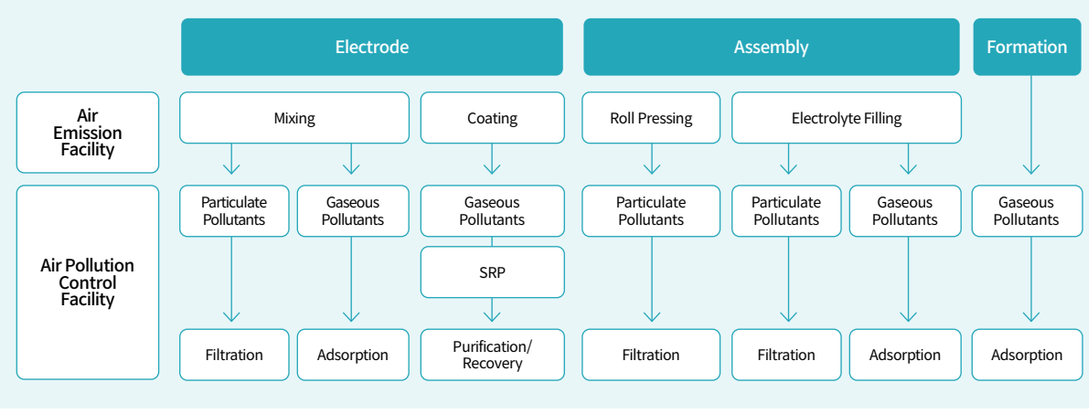
Assembly Process

Particulate and gaseous pollutants generated during the electrode manufacturing, assembly, and electrolyte filling processes are effectively removed through filtration- and adsorption-based air pollution control facilities.

Formation Process

The formation process includes a degassing stage, during which gases accumulated inside batteries are released prior to charging, generating gaseous pollutants. To effectively manage these emissions, adsorption-based air pollution control facilities are used to remove pollutants. In addition, the Company continuously conducts monitoring and environmental improvement activities to minimize emissions generated during the manufacturing process

[Air Pollutant Treatment Process by Process Stage]



Air Pollution Control Facility Operation and Management

LG Energy Solution systematically operates air pollution prevention facilities to reduce air pollutants, and thoroughly manages emissions through periodic inspections and monitoring. In particular, the Company is continuously enhancing the operational efficiency of its facilities by comprehensively linking air quality management inspections, prevention facility operations, and monitoring activities.

Air Quality Management Inspection Activities	• Compliance inspections (annually) • Site self-inspections (monthly and as needed) • Regular EHS assessments (annually)
Operation and Management of Air Pollution Control Facilities	• Regular replacement of consumables - Activated carbon: at least semiannually - Filter bags: at least annually
Monitoring Activities	• Periodic monitoring of pollutant emissions • Odor monitoring • Operation of the Tele-Monitoring System (TMS) • Monitoring of air pollution control facilities through Smart Factory integration (e.g., differential pressure gauges, thermometers, flow meters)

Air Pollution Control Facility Monitoring System

LG Energy Solution utilizes the Smart Factory system to monitor the operational status of air pollution prevention facilities in real time and maintain optimal operating conditions. By attaching differential pressure gauges, thermometers, and air flow meters to the equipment to measure key indicators, the Company thoroughly manages the air pollutant treatment process.

[Key Monitoring Indicators of Air Pollution Control Facilities]

- **Differential pressure gauge:** Analyzes filter collection efficiency and determines the optimal replacement timing.
- **Thermometer Gauge:** Maximizes adsorption efficiency by maintaining the optimal operating temperature of adsorption systems.
- **Air flow meter:** Monitors air pollutant emissions and treatment performance, enabling prompt response to abnormal conditions.

LG Energy Solution plans to further enhance the Smart Factory-based monitoring system and maximize the operational efficiency of air pollution control facilities through real-time data analysis.

Voluntary Air Pollutant Reduction Initiatives

LG Energy Solution is taking the lead in reducing air pollutants through voluntary agreements established with local governments and relevant organizations. In particular, the Ochang Energy Plant 1 has established annual reduction targets based on the Chungcheongbuk-do Voluntary Fine Dust Reduction Agreement and the Central Region Voluntary Air Pollutant Total Load Management Agreement, and is faithfully implementing these commitments. As a result of these proactive environmental management efforts, the Ochang Energy Plant was designated as a Green Company by the Minister of Environment in 2024 in recognition of its contributions to reducing pollutant emissions. Going forward, LG Energy Solution plans to further strengthen its environmental management efforts by continuously expanding voluntary emission reduction activities aimed at improving air quality and implementing proactive measures to reduce pollutant emissions.

NOx Emission Reduction Targets

LG Energy Solution is promoting NOx (Nitrogen Oxides) emission reduction activities across all manufacturing sites. The Company has established a mid-to-long-term goal to reduce NOx emissions intensity by 8% by 2030 from a 2025 baseline. This target is applied across all global manufacturing sites under its operational control. NOx emission intensity is monitored annually and calculated on a consistent basis (per unit of production).

Chemical Management

As product environmental regulations in various countries, particularly in Europe, and customers' environmental management requirements are being strengthened, the importance of environmental management is increasing. LG Energy Solution continuously monitors evolving environmental regulations and strives to comply with applicable requirements while providing products that incorporate environmental considerations. To this end, the Company applies Requirements for Sustainable SCM not only internally but also its suppliers, thereby strengthening the management of hazardous substances in products thoughout the supply chain. In addition, regulatory-compliant materials are selected from the raw material stage to ensure compliance with applicable substance regulations.

Site Chemical Management System

LG Energy Solution has established and operates the Chemical Management Guidelines to legally and safely manage chemical substances handled at all global sites. These guidelines aim to prevent accidents caused by chemical substances and minimize negative impacts on the safety and health of employees. Accordingly, all sites strictly comply with systematic management procedures throughout the entire process, starting from reviewing chemical substance handling plans to appointing managers, registration, purchase, storage, transportation, use, and disposal.

[2025 Raw Material Consumption and Chemical Emissions]

Site	Raw Material Consumption (ton)	Chemical Emissions (kg)
Ochang Energy Plant 1	32,464	0.2
Ochang Energy Plant 2	2,955	0.4
Total	**35,419**	**0.6**

※ Based on chemical substances subject to reporting under the Pollutant Release and Transfer Register (PRTR) system

Hazardous Chemical Management Process

Definitions and management requirements for hazardous chemicals vary by country. However, most jurisdictions designate specific categories of hazardous chemicals and impose strict handling and control requirements. Key chemical regulations by country are as follows:

- **Korea :** Chemicals Control Act (designates and regulates toxic substances, authorized substances, restricted substances, accident preparedness substances, and prohibited substances as "hazardous chemicals")
- **China :** Regulations on the Safe Management of Hazardous Chemicals
- **United States :** Toxic Substances Control Act (TSCA)
- **EU :** EU REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals)

LG Energy Solution strictly manages the use and emissions of chemical substances in compliance with applicable laws and regulations in Korea and overseas, and transparently reports related information to the relevant authorities on an annual basis. Currently, a total of four hazardous chemical substances are used in the battery manufacturing process, while seven general chemical substances are subject to statutory reporting requirements.

Types of General Chemical Substances

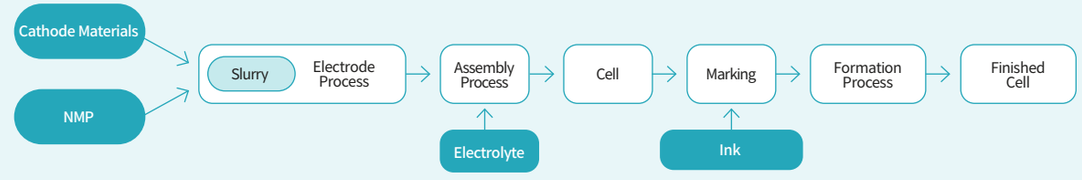
- Nickel and its compounds
- Manganese and its compounds
- 1,3-propane sultone
- Cobalt and its compounds
- Zinc and its compounds
- Aluminum and its compounds
- Copper and its compounds

[Hazardous Chemicals and Usage Volume]

Category	CAS No.	Substance Name	Content Threshold	Material	2025 Usage (ton)
Hazardous Chemicals	1120-71-4	1,2-Oxathiolane, 2,2-Dioxide	≥ 0.1%	Electrolyte	1,922
	182442-95-1	Lithium Nickel Manganese Cobalt Oxide	≥ 0.1%	Cathode Material	11,421
	872-50-4	1-Methyl-2-Pyrrolidinone	≥ 0.3%	NMP	2,595
	78-93-3	Methyl Ethyl Ketone (MEK)	≥ 25%	Ink	0.02

※ Based on sites subject to the Chemicals Control Act in Korea.

[Processes Involving Hazardous Chemical-Containing Materials]

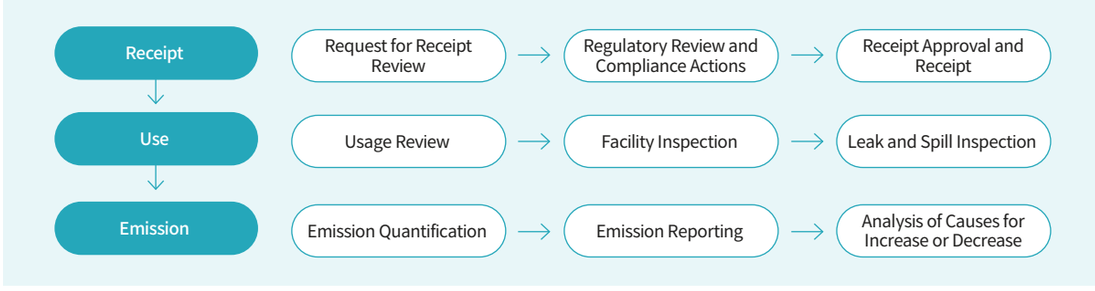


LG Energy Solution operates a Hazardous Substance Management System (HSM) to manage all chemicals handled across its sites. To proactively manage chemical-related risks, procurement is permitted only for materials that have undergone prior review and received approval from EHS personnel.

Pre-Review Item	Applicable Regulations	Supporting Documents
Determination of whether the material is classified as a hazardous chemical	Chemicals Control Act	MSDS, LOC
└Verification of completion of the hazardous chemical business license		Hazardous Chemical Business License
└Verification of completion of import notification and approval for toxic, prohibited, and restricted substances		Import Notification and Approval Certificates for Toxic, Prohibited, and Restricted Substances

When procuring hazardous chemicals, the responsible department reviews the intended use and handling facilities in advance to ensure that such chemicals are handled only at facilities that have obtained the required permits and approvals. When a new hazardous chemical is introduced or handled at a new facility, all necessary permit modifications must be completed prior to use to ensure a safe working environment. Sites and processes handling hazardous chemicals are installed and managed in strict compliance with applicable legal facility requirements, and on-site personnel perform their duties in accordance with established handling procedures. In addition, the Company annually reviews chemical inventory records in coordination with the Materials Operations Team and consolidates material composition data through the Hazardous Substance Management System (HSM) to closely monitor the inflow and outflow of individual substances. The collected data are utilized for chemical emissions inventories, statistical reporting, and performance reporting.

[Hazardous Chemical Handling Process]



Strengthening Company-wide Safety Inspections and Training

LG Energy Solution is continuously promoting activities to eliminate the risk of chemical accidents, aiming for 'Zero chemical substance leakage & spillage accidents' in accordance with the Chemical Substances Control Act. To achieve this goal, the Company conducts systematic facility inspections and emergency response drills to thoroughly ensure the safety of its members.

- **Inspection of Hazardous Chemical Handling and Storage Facilities** (including outdoor storage area) : Conducted monthly to identify and address facility-related issues in advance
- **Chemical Leak and Spill Inspection :** Conducted annually for each facility
- **Emergency Response Drills for Chemical Leak and Spill Incidents:** Conducted semiannually

Reduction of Hazardous Substances in Products and Supply Chain

Hazardous Substance Management

As regulations on hazardous substances in products become more stringent worldwide, the importance of identifying the presence of hazardous substances in products and complying with relevant environmental regulations continues to grow. In response, LG Energy Solution manages the content of hazardous substances contained in its products, components, and raw materials to levels below applicable regulatory thresholds in each country. Through these efforts, the Company seeks to reduce the use of substances that may pose risks to human health and the environment while providing customers with competitive solutions that incorporate environmental considerations. In particular, substances restricted under the EU Battery Regulation, including lead (Pb), cadmium (Cd), and mercury (Hg), as well as flame retardants and plasticizers regulated under the EU RoHS* and ELV** Directives, are designated as Level 1 controlled substances and are subject to stringent management and control.

*EU RoHS (Restriction of Hazardous Substances): An EU directive that restricts the concentration of hazardous substances contained in electrical and electronic equipment..
**ELV (End-of-Life Vehicles): An EU directive that restricts the use of hazardous substances from the vehicle design stage and promotes recyclability and recovery at the end of a vehicle's life.

[Classification Criteria by Hazardous Substance Management Level]

Level 1 (Prohibited Substances)	Level 2 (Prohibited Substances other than EU RoHS)	Level 3 (Substances for Observation)
10 Hazardous Substances Restricted under EU RoHS	Regulated substances prohibited by countries or international conventions other than EU RoHS	Substances subject to monitoring or reduction
• Lead, cadmium, mercury, hexavalent chromium, and their compounds • PBB (Polybrominated Biphenyls), • PBDE (Polybrominated Diphenyl Ether) • Four phthalates (DEHP, DBP, BBP, DIBP)	• Chlorinated compounds such as PCB, PCT, and PCP • Asbestos, organotin compounds • Formaldehyde, ozone-depleting substances • Restricted substances under EU REACH Annex XVII, etc.	• PVC (Polyvinyl Chloride) • Phthalate-based plasticizers • Beryllium, palladium, bismuth • Substances defined under EU REACH SVHC, US California Proposition 65, etc.

Hazardous Substance Management System

LG Energy Solution systematically collects and inspects hazardous substance information of products, parts, and raw materials through the Hazardous Substance Management System (HSM). Through this system, the Company blocks the inflow of hazardous substances into products and strictly manages information on chemical substances in use. In addition, from the R&D stage, the Company selects parts that meet national environmental regulations and customer requirements, and strives to minimize the use of hazardous substances by continuously discovering alternative materials.

Minimizing Hazardous Substances in the Supply Chain

LG Energy Solution continuously strives to proactively respond to global hazardous substance regulations and minimize the use of hazardous substances throughout its supply chain. To this end, the Company has established and shared its Requirements for Sustainable SCM with suppliers and continues to strengthen collaboration to enhance their hazardous substance management capabilities. In addition, through training and periodic assessments of business partners, the Company is enhancing its hazardous substances management system and improving the reliability of raw material information in an effort to provide products that incorporate environmental considerations.

Soil Pollutant Management

LG Energy Solution strictly manages facilities subject to specific soil contamination control in accordance with the Soil Environment Conservation Act and internal workplace soil management regulations. All target facilities are located above ground and equipped with steel plates, protective walls, and oil storage tanks, and prevention facilities such as leak prevention tanks and anti-corrosion treatments are applied to fundamentally block soil contamination and leakage risks.
Furthermore, in terms of operational management, the Company frequently performs internal visual inspections. To ensure rapid action in the event of environmental accidents such as leaks and spills, LG Energy Solution has established and operates systematic response procedures in accordance with internal emergency response planning regulations, environmental accident preparation and response manuals, and department-specific guidelines.

[Types of Soil Pollutants]

In Korea, a total of 23 substances that cause soil contamination are regulated under Article 2 of the 「Soil Environment Conservation Act」 and Annex 1 of the Enforcement Rule of the same Act.

Major Soil Pollutants (23 Types in Total)

Cadmium, copper, arsenic, mercury, lead, hexavalent chromium, zinc, nickel, fluorine compounds, organophosphorus compounds, polychlorinated biphenyls, cyanide compounds, phenols, benzene, toluene,

ethylbenzene, xylene, total petroleum hydrocarbons, trichloroethylene, tetrachloroethylene, benzo[a]pyrene, 1,2-dichloroethane, dioxin

Soil Pollutant Management Process

LG Energy Solution has established and operates its own internal soil management regulations to thoroughly measure and manage soil contamination in accordance with the soil contamination and leak inspection cycles prescribed by the 「Soil Environment Conservation Act」. In particular, to fundamentally block the risk of soil pollutant leaks and spills, the Company applies the following facilities and prevention measures to related storage tanks:

- **Above-ground Installation and Steel Plate Application**
- **Installation of Containment Walls and Oil Strage Tanks**
- **Implementation of Leak Containment Systems and Anti-Corrosion Treatments**

Through the implementation of these preventive pollution control measures, LG Energy Solution minimizes soil contamination and leakage risks. As a result, the Company maintains a management level that qualifies for inspection exemption under the Enforcement Decree of the Soil Environment Conservation Act and the Management Guidelines for Facilities Subject to Specific Soil Contamination Control

[Basis for Exemption]

- Article 8-2 (Exemption from Soil Contamination Inspection, etc.) Paragraph 1 of the Enforcement Decree of the Soil Environment Conservation Act
- Article 7 (Management of Soil Contamination Inspection, etc.) Paragraph 3 or 4 of the Management Guidelines for Facilities Subject to Specific Soil Contamination Control

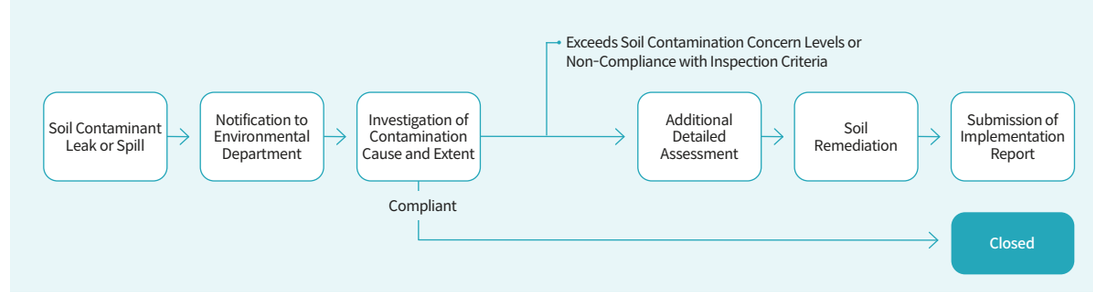
[Inspection Types, Applicable Facilities, and Inspection Frequency]

Inspection Type	Applicable Facilities	Inspection Frequency
Soil Contamination Inspection	All facilities	Initial inspection within 6 months of installation, followed inspections every 5 years (every 2 years after 15 years of operation)
Leak Inspection	Facilities with a capacity of less than 500,000 liters	Initial inspection in the 10th year after installation, followed by inspection every 8 years

Soil Pollutant Treatment Process

In the event of a soil contaminant leak or spill, or if contamination is detected in areas surrounding facilities subject to soil contamination control, the responsible environmental department is notified immediately. Initial response measures are promptly implemented in accordance with the Company's Emergency Response Planning Guidelines and Environmental Incident Preparedness and Response Manual. The incident is then reported to the relevant authorities, followed by an investigation into the cause and extent of contamination. If the investigation results exceed the soil contamination concern levels, additional detailed assessments are conducted.
Based on the assessment results, corrective actions are implemented, including improvement measures ordered by the relevant authorities and soil remediation activities. If contaminated soil is designated for remediation, remediation work is completed by a specialized soil remediation contractor within the prescribed implementation period. The entire process and its outcomes are subsequently documented and submitted to the relevant authorities in the form of an implementation report to ensure transparent management.

[Treatment Process Diagram]



Biodiversity

The conservation of biodiversity requires products to be manufactured in a sustainable manner while minimizing impacts on ecosystem integrity. To this end, LG Energy Solution has established a biodiversity protection policy aligned with the Kunming-Montreal Global Biodiversity Framework (GBF) and the Science Based Targets Network (SBTN). Through this policy, the Company seeks to reduce its reliance on natural capital, promote the sustainable use of natural resources, and implement biodiversity conservation initiatives in partnership with local communities.

Biodiversity Policy

Biodiversity Management Roadmap

LG Energy Solution recognizes that global environmental challenges, including climate change, biodiversity loss, and deforestation, are interconnected and require integrated and mutually reinforcing solutions. Accordingly, biodiversity conservation has been identified as one of its ESG strategic tasks for management.
In 2024, LG Energy Solution adopted the Biodiversity Protection and Deforestation Prevention Policy to formalize its commitment to biodiversity conservation. In 2025, the Company conducted an assessment of biodiversity-related risks and opportunities across its global manufacturing sites and joint ventures. Going forward, LG Energy Solution plans to expand the scope of its assessments across the value chain and establish a value chain-wide risk management framework through the regular monitoring of biodiversity-related risks. This assessment was conducted as a pilot exercise to align with the recommendations of the TNFD framework. The assessment focused on identifying priority management areas and key operational sites, as well as developing corresponding action plans. The Company will continue to enhance its biodiversity management approach and disclosure practices with the aim of achieving TNFD-aligned public disclosure.

[LG Energy Solution Biodiversity Management Roadmap]

Setting the Scene for Management	Advanced Risk Management	Establishing a Disclosure System
• Establishment of a Biodiversity Management System - Governance Establishment - ESG Task Selection (2022) - Policy Development (2024) • LEAP-based Assessment Methodology - Manufacturing Sites (2024) - Manufacturing sites and joint ventures(2025)	• Enhancement of the Risk Management Framework - Quantitative Evaluation of Risks and Opportunities - Identification of Detailed Action Items for Target Setting	• Strengthening the Biodiversity Management System - Establishing Biodiversity Targets (Metrics & Targets) • Value Chain Risk Assessment • Disclosures Based on TNFD Guidance

Biodiversity Governance

LG Energy Solution has established and operates a governance system comprising the ESG Committee under the Board of Directors, management, and functional departments to effectively identify and manage risks and opportunities related to biodiversity and deforestation.

1) Management and Functional Departments

Management and functional departments are charged with executing biodiversity protection and deforestation prevention policies. Their responsibilities include establishing strategies and processes for biodiversity and forest conservation, operating dedicated management programs, setting metrics and targets, and monitoring progress toward target achievement.

2) Board of Directors and ESG Committee

The Board of Directors and the ESG Committee perform the role of risk management and oversight related to biodiversity and deforestation. They monitor the adequacy of risk management systems, strategies, processes, and programs related to biodiversity and forest conservation, and deliberate and resolve on major agenda items, including providing consultation on nature-related matters.

[Biodiversity Biodiversity Governance Structure]

Governance Structure	Key Roles
Management and Functional Departments	Establish strategies and processes and operate biodiversity management programs
Board of Directors and ESG Committee	Oversee and manage biodiversity-related risks

Biodiversity Impact Analysis

A clear understanding of dependencies and impacts on natural capital and biodiversity serves as a critical foundation for effectively identifying and addressing nature-related risks and opportunities. In line with its biodiversity management roadmap, LG Energy Solution has conducted a comprehensive assessment of these dependencies and impacts across all global production sites and joint ventures.

Methodology for Assessing Biodiversity Dependencies and Impacts

LG Energy Solution assesses the impacts of its business activities on nature and biodiversity, as well as related risks, with reference to the recommendations of the TNFD. To better understand the relationship between its business activities and nature, LG Energy Solution applied the TNFD's LEAP approach. The LEAP approach consists of four steps: identifying the interface between business activities and nature (Locate), evaluating dependencies and impacts on natural capital and biodiversity (Evaluate), assessing nature-related risks and opportunities based on these findings (Assess), and developing responses and action plans to address those risks and opportunities (Prepare).

[Scope of LEAP Assessment]

Locate: Identify Interfaces with Nature	
L1 Scope the business model and value chain	Quantitative
L2 Identify Dependencies and Impacts	Quantitative
L3 Identify Interfaces with Nature	Quantitative
L4 Identify Interfaces with Sensitive Locations	Quantitative
Evaluate: Assess Dependencies and Impacts	
E1 Identify Ecosystem Services and Impact Drivers	Quantitative
E2 Identify Dependencies and Impacts	Quantitative
E3 Measure Dependencies and Impacts	Quantitative
E4 Assess the Materiality of Impacts	Quantitative

Assess: Evaluate Risks and Opportunities	
A1 Identify risks and opportunities	Qualitative
A2 Review Existing Risk Mitigation and Alignment with Risk and Opportunity Management	Qualitative
A3 Measure and Prioritize Risks and Opportunities	Qualitative
A4 Assess materiality of risks and opportunities	Qualitative
Prepare: Set Response Strategies and Key Targets	
P1 Strategy Development and Resource Allocation Planning	Qualitative
P2 Target Setting and Performance Management	Qualitative
P3 Reporting	Qualitative
P4 Presentation	Qualitative

Locate: Identify Interfaces with Nature

To understand the relationship between its operational locations and biodiversity-sensitive areas, LG Energy Solution assessed the proximity of all manufacturing sites and joint ventures to biodiversity-sensitive areas based on Key Biodiversity Areas (KBAs), the IUCN Protected Area Management Categories, and the World Database on Protected Areas (WDPA).
As key business activities, including battery design, manufacturing, and testing, are conducted at manufacturing sites and joint ventures, all global manufacturing sites and joint ventures were defined as the geographic scope of the assessment.
To proactively identify potential impacts on ecosystems, the assessment scope was expanded beyond the own operations to include adjacent areas. This approach enabled LG Energy Solution to assess potential interfaces with biodiversity-sensitive areas across both operational sites and surrounding areas.

[Key Assessment Factors and Connections by Manufacturing Site]

Site	Protected Areas (WDPA)	IUCN Red List of Threatened Species	Key Biodiversity Areas
Ochang Energy Plant 1	●●	●●	●
Ochang Energy Plant 2	●●	●●	●
LGESNJ	●	●	●
LGESNA	●	●	●
LGESNB	●	●	●
LGESWA	●●	●●	●●
LGESMI	●●●	●	●
Ultium Cells 1	●	●●	●
Ultium Cells 2	●●	●	●
LGESAZ	●	●	●
HLI Green Power	●	●●●	●●
LGESOT	●●●	●	●●
LGESAE	●	●	●
L-H Battery Company	●●	●	●
HL-GA Battery Company	●●	●●	●

※ The figures in this table are categorized and provided as relative levels (applying a 50km radius), and actual quantitative figures are managed separately based on internal evaluation and risk analysis data.
※ This represents the relative importance calculated according to the individual criteria of WDPA (protected area overlap), IUCN Red List (number of animal/plant species, including fungi), and Key Biodiversity Areas (biodiversity area overlap). A higher number of circles indicates higher importance within the corresponding indicator (direct comparison between indicators is limited).

Evaluate: Assess Dependencies and Impacts

Using the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) Tool, LG Energy Solution conducted a systematic analysis of the dependencies and impacts of the battery and accumulator manufacturing industry on natural capital.

[ENCORE-based Impact and Dependency Assessment of 'Manufacture of Batteries and Accumulators']

	Ecosystem Component	Atmosphere	Landform	Mineral	Oceanic Landform	Soil & Sediment	Species	Biological Structure	Water Resources	Materiality Rating
Physical Risk	Air filtration services						Very Low	Very Low		Very Low
	Flood mitigation services*		Medium					Medium		Medium
	Climate regulation services (Global)	Very Low				Very Low	Very Low	Very Low	Very Low	Very Low
	Climate regulation services(Local)	Low					Low	Low	Low	Low
	Noise mitigation services	Very Low					Very Low	Very Low	Very Low	Very Low
	Other regulating & maintaining services	Very Low					Very Low	Very Low	Very Low	Very Low
	Rainfall pattern regulation services*	Medium						Medium	Medium	Medium
	Soil & sediment retention services		Low		Low	Low		Low		Low
	Solid waste remediation						Low	Low		Low
	Storm mitigation services*		Low		Medium			Medium		Medium
	Water flow regulation services*	Medium	Medium					Medium	Medium	Medium
	Water purification services*						Medium	Medium	Medium	Medium
	Water supply services*								Medium	Medium
	Dilution by atmosphere & ecosystems	Low			Low			Low	Low	Low
Reputational Risk	Greenhouse gas emissions	Very Low	Very Low	Very Low	Very Low	Very Low	Very Low	Very Low	Very Low	Very Low
	Terrestrial ecosystem use	Low	Low	Low	Low	Low	Low	Low	Low	Low
	Water use	Low	Low	Low	Low	Low	Low	Low	Low	Low
	Solid waste	Low	Low	Low	Low	Low	Low	Low	Low	Low
	Non-GHG air pollutants	Low	Low	Low	Low	Low	Low	Low	Low	Low
	Emissions of toxic pollutants to water and soil**	High	High	High	High	High	High	High	High	High
	Disturbances*					Medium	Medium	Medium	Medium	Medium

An asterisk (*) indicates that the ecosystem service has a 'Medium' level of dependency and impact on the ecosystem.
A double asterisk (**) indicates that the ecosystem service has a 'High' level of dependency and impact on the ecosystem.

Based on an ENCORE framework analysis of ecosystem service dependencies in the battery manufacturing industry, the industry was found to have a medium level of dependency on flood mitigation services, rainfall pattern regulation services, storm mitigation services, water flow regulation services, water purification services, and water supply. The analysis also identified medium or higher levels of impact associated with emissions of toxic pollutants to water and soil, as well as disturbances.
These findings highlight that such ecosystem services are essential for the stable and sustainable operation of battery manufacturing processes. In particular, both dependencies and impacts were identified in relation to water-related ecosystem services, including water flow regulation, water purification, and water supply, as well as emissions of toxic pollutants to water and soil.
This suggests that water-related ecosystem services play a critical role in maintaining the efficiency and sustainability of manufacturing processes, and that securing reliable water resources and implementing systematic water management are fundamental to sustainable business operations. Furthermore, the industry's dependency on climate-related ecosystem services, such as flood mitigation, rainfall pattern regulation, and storm mitigation, underscores the importance of managing and conserving these services to support the resilience of manufacturing processes and logistics infrastructure.

Assess: Evaluate Risks and Opportunities

Using the WWF (World-Wide Fund for Nature) Biodiversity Risk Filter (BRF), LG Energy Solution identified key nature-related risks and opportunities across its operations.
By applying the BRF, the Company conducted location-specific dependency assessments that reflect the geographic and biodiversity characteristics of each manufacturing site and joint venture. This enabled LG Energy Solution to identify ecosystem service dependencies that reflect both industry-specific and regional characteristics, and to develop actionable site-level management strategies.
In particular, LG Energy Solution plans to identify priority sites based on the assessment results and implement targeted management and improvement initiatives to support efficient resource allocation and proactive risk management.

[Risk Assessment Based on WWF Biodiversity Risk Filter]

Category		Ochang Energy Plant 1	Ochang Energy Plant 2	LGESNJ	LGESNA	LGESNB	LGESWA	LGESMI	UltiumCells 1	UltiumCells 2	LGESAZ	HLI Green Power	LGESOT	LGESAE	L-H Battery Company	HL-GA Battery Company
Physical Risk	Provisioning Services	*	*								*	*		*		
	Regulating and Supporting Services															
	Regulating Services (Mitigation)			*	*	*										*
	Pressure on Biodiversity															
Reputational Risk	Environmental Factors															
	Socio-economic Factors															
	Additional Reputational Factors															

※ The figures in this table are categorized and provided as relative levels, and actual quantitative figures are managed separately based on internal evaluation and risk analysis data.
※ The asterisk (*) indicates the ecosystem services with the highest dependency for each site.

The evaluation table was constructed based on the risk types and ecosystem service classification system suggested by the WWF Biodiversity Risk Filter. 'Provisioning services' refer to natural resources that can be directly utilized in business operations, such as water and natural resources, while 'regulating and supporting services' refer to functions that stabilize the climate and mitigate natural disasters such as heatwaves and typhoons. 'Pressure on biodiversity' represents the impact of land-use change and resource extraction, and 'environmental/socio-economic factors' refer to risks to the external environment, such as changes in climate, policy, population, and industrial activities. 'Additional reputational factors' reflect elements that require additional consideration based on regional specificities. Using detailed indicators provided by the WWF Biodiversity Risk Filter, LG Energy Solution conducted an in-depth analysis of nature-related dependencies, impacts, risks, and opportunities across its operations.

- **Ochang Energy Plant 1 and 2** (Korea), **LGESAZ· LGESAE** (Arizona, US), **HLI Green Power** (Karawang, Indonesia) **: Water scarcity and stress risks, and availability risks of wild animal and plant resources**
- **LGESNJ, LGESNA, LGESNB** (Nanjing, China), **HL-GA Battery Company** (Georgia, US) **: Climate regulation services** (Local), **extreme heatwave risks, and tropical cyclone/typhoon risks**

Among the sites, five facilities, including Ochang Energy Plant 1 & 2, showed the highest risks regarding water and resources. A stable supply of water resources plays a key role in maintaining production and quality in the battery manufacturing process. Ochang is located inland, making it vulnerable to changes in precipitation or drought, which increases the importance of water resource management. Arizona in the US also recorded its lowest precipitation in 2023, and the water level of the Colorado River (Arizona's main water source) fell to record lows, leading the US federal government to reduce the water supply by 21%. Furthermore, due to extreme water scarcity, Arizona is implementing development restrictions, such as requiring proof of a 100-year groundwater supply for new housing construction.
In addition, resource-based risks can contribute not only to supply chain disruptions but also to reputational and regulatory risks, such as strengthened environmental regulations and community conflicts. In the case of LGESNJ, LGESNA, LGESNB (Nanjing, China) and HL-GA Battery Company (Georgia, US), risks associated with climate regulation, such as heatwaves, tropical cyclones, and typhoons, were the highest. The occurrence of extreme weather due to climate regulation increases operational management requirements, including temperature and humidity control at manufacturing sites, and can act as physical risks such as power outages and logistics disruptions. In addition, during heatwaves, equipment efficiency decreases and cooling loads increase, impacting production and infrastructure.
Based on the results of the nature-related risk analysis for each site using the WWF Biodiversity Risk Filter, LG Energy Solution identified the following company-wide nature-related risks and opportunities in alignment with the TNFD framework.

[LG Energy Solution Risks and Opportunities]

Risk/ Opportunity	Risk Type	Related Ecosystem Services/Impact	Risk Description	Financial Impact	Related Actions
Physical Risk	R1. Water scarcity and stress	[Dependency] Flood mitigation services, rainfall pattern regulation services, water flow regulation services, water purification services, water supply services [Impact] Discharge of hazardous substances into water/ soil, water consumption	• Production suspension and infrastructure damage due to water cycle instability (floods, droughts, etc.) • Difficulties in production processes and securing water resources due to issues caused by changes in rainfall patterns	• Production suspension costs and infrastructure recovery costs • Increased costs for wastewater purification facilities	• Establish water reuse systems [Case 1] Reuse of water in washing processes through steam condensate recovery [Case 2] Reuse of boiler feedwater
	R2. Availability risks of wild animal and plant resources	[Impact] Discharge of hazardous substances into water/ soil, disturbance factors	• Decline in biological resource supply capacity and ecosystem service provision levels • Increased cost volatility due to reduced resource accessibility	• Rising soil restoration costs • Increased raw material costs due to decreased soil productivity	• Implement ecosystem restoration projects (in connection with local communities) • Strengthen proactive monitoring of ecosystem disturbance factors (environmental impact assessments, etc.)
Transition Risk	R3. Extreme heatwave risks, tropical cyclone/typhoon risks	[Dependency] Climate regulation services(Global/Local) [Impact] Greenhouse gas emissions	• Infrastructure damage due to extreme weather conditions such as heatwaves, strong winds, and storms • Supply chain disruptions and logistics difficulties due to climate conditions	• Facility recovery costs, revenue loss due to supply chain disruptions • Increased investment costs for carbon emission reduction facilities	• Implement carbon neutrality goals • Introduce energy saving and efficiency technologies
	R4. Water scarcity and stress	[Dependency] Flood mitigation services, rainfall pattern regulation services, water flow regulation services, water purification services, water supply services [Impact] Discharge of hazardous substances into water/ soil, water consumption	• Rising production costs due to water use restrictions and strengthened water management regulations • Additional purification costs due to contaminated water resources and increased likelihood of regulatory violations	• Fines/litigation costs for regulatory violations	• Establish water reuse systems • Strengthen wastewater treatment processes within sites • Wastewater reduction and management activities
	R5. Reputational Risk	-	• Potential to cause social issues if corporate operations affect local communities	• Decline in reputation due to reports of regulatory violations, etc. • Decline in corporate image	• Strengthen regulatory compliance and disclosure
Opportunity	O1. Resource Efficiency	[Impact] Discharge of hazardous substances into water/ soil, water consumption	• Cost savings through water reuse • Opportunities to mitigate ecosystem burden through expanded resource circularity	• Reduced raw material procurement costs • Mitigation of supply chain risks	• Establish water reuse systems [Case 1] Reuse of water in washing processes through steam condensate recovery [Case 2] Reuse of boiler feedwater
	O2. Products and Services	[Impact] Greenhouse gas emissions	• Opportunities arising from preempting the low-carbon market	• Ability to secure market competitiveness by meeting customer requirements	• Implement carbon neutrality goals • Expand product LCA
	O3. Enhancing Corporate Reputation	[Impact] Discharge of hazardous substances into water/soil	• Opportunities arising from enhancing stakeholder reputation	• Increased investment opportunities due to enhanced brand value • Reduced business risks due to improved stakeholder trust	• Advance management and expand emission reduction activities • Strengthen disclosure of environmental impact minimization performance

Prepare: Develop Response Strategies and Targets

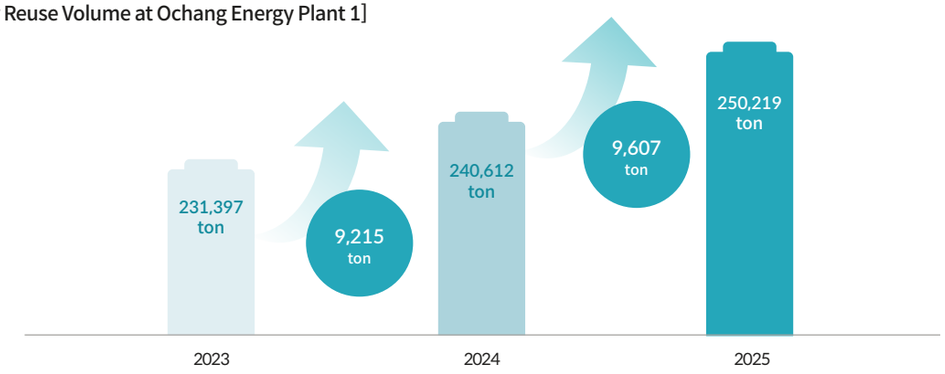
[Selection of Priority Sites for Management]

LG Energy Solution applied the TNFD 'LEAP' approach to analyze biodiversity impacts and identify risks across all manufacturing sites and joint ventures. In accordance with the TNFD recommendations' Priority Location guidance, the Company considered nature-related impacts and risk levels, while also reflecting data availability and feasibility to respond in a phased manner. Consequently, LG Energy Solution selected the Ochang Energy Plant 1 and 2 as priority sites for management. Ochang Energy Plant 1 and 2 serve not only strategic roles as Mother Factories but also act as key hubs for technology development, production standardization, and process optimization. They play a crucial role in maintaining consistent quality and operational efficiency across the global production network by disseminating accumulated technologies and best practices to overseas production bases. If ecosystem services deteriorate, the introduction of new technologies and process improvements at these sites could be delayed, which was determined could ultimately weaken the competitiveness of the entire production network. Therefore, comprehensively considering dependency on ecosystem services, impacts on ecosystems, and strategic importance, LG Energy Solution designated Ochang Energy Plant 1 and 2 as priority sites for management and is pursuing preemptive monitoring and environmental management to maintain stable and efficient operations.

Reflecting the identified risks and opportunities, LG Energy Solution prioritizes Avoidance, Minimization, and Restoration in the event of damage for Ochang Energy Plant 1 and 2, which have been selected as priority sites for management. If negative impacts on biodiversity and ecosystems cannot be resolved despite these direct measures, the Company will use Offset as a last resort. Based on the preceding assessment, LG Energy Solution set the targets for the Ochang Energy Plant 1 and 2 as 'improving water use efficiency,' 'contributing to local biodiversity protection,' and 'preemptively responding to climate change,' and has established response strategies to carry out various activities. In particular, in 2025, Ochang Energy Plant 1 increased its water reuse volume by approximately 9,607 tonnes compared with 2024 (from 240,612 tonnes to 250,219 tonnes), contributing to the reduction of external water withdrawals. This volume is equivalent to the amount of water that approximately 30,000 adults, or about half the population of Ochang-eup, could use in a single day, thereby supporting more efficient use of water resources. The Company monitors water use in real time through its Energy & Utility Management system (EUM), immediately detecting and rapidly responding to abnormal patterns. This prevents unnecessary water waste and enhances equipment operational efficiency. The Company has also established water withdrawal targets for all global sites and manages them systematically. In 2025, the Company reduced actual water withdrawal (13,341 kton) compared to its target (13,722 kton), striving to alleviate the water resource burden on ecosystems.

In addition, with the goal of responding to climate change and achieving carbon neutrality, LG Energy Solution established its own carbon neutrality strategy based on mid-to-long-term battery market demand forecasts and business plans to protect and enhance climate-related services. In 2021, the Company became the first in the global battery industry to simultaneously join the RE100 (Renewable Electricity 100%) and EV100 (Electric Vehicle 100%) initiatives, actively working to reduce the impact of climate change on biodiversity. Along with this, LG Energy Solution is establishing response measures for identified nature-related risks in accordance with the Mitigation Hierarchy, systematically managing them to minimize negative environmental impacts, mitigate corporate risks, and translate efforts into positive outcomes. Furthermore, the Company enhances the effectiveness of its biodiversity strategy by collaborating with local governments and environmental organizations. Through biodiversity conservation programs conducted near Ochang Energy Plant 1 and 2, LG Energy Solution seeks to generate positive impacts on biodiversity and strengthen partnerships with local stakeholders. The Company will regularly conduct natural capital risk assessments of its sites and gather feedback from local communities and stakeholders to develop improvement measures.

[Water Reuse Volume at Ochang Energy Plant 1]



Biodiversity Protection Activities

Case 1 Project to Save Endangered Species (Muljanguns) in Cheongju

LG Energy Solution Ochang Energy Plant 1 and 2 actively carry out biodiversity protection activities in the 'Chungcheongbuk-do Urban Nature Park Area' to minimize the negative impacts of its business activities on local biodiversity. The Company has signed a Memorandum of Understanding (MOU) with the Geumgang River Basin Environmental Office and Cheongju City to support the release of endangered species (Class II Endangered Wild Species, Muljanguns) and habitat restoration activities in the Cheongju area. Muljanguns are one of the 21 insect species designated as Class II Endangered Wild Species, and their population has recently declined sharply due to habitat destruction from urbanization, water pollution, and agricultural land improvement projects. To conserve local biodiversity, the Company released 130 Muljanguns in wetlands near the Ochang Energy Plants in Cheongju from 2022 to 2025 and are supporting their breeding through conservation organizations. When selecting new habitats for the bred Muljanguns, the Company considers the level of human interference and water supply. In addition, it monitors spawning to determine whether the Muljanguns have adapted to their new habitats and reflect the results in future habitat selection. Going forward, LG Energy Solution will continue to identify and conserve biodiversity issues near its sites and in local communities, collaborating with regional environmental offices, local governments, and residents to achieve ecosystem preservation and coexistence with local communities.



Saving Endangered Species (Muljanguns) in Cheongju

Case 2 One Company, One Stream Cleanup Partnership (Protected Species Monitoring and River Plogging)

To identify biodiversity risks in areas adjacent to its sites, LG Energy Solution reviewed the latest publicly available assessment results of the IUCN Red List of Threatened Species. Near Ochang Energy Plant 1 and 2, 14 biodiversity protected species listed on the IUCN Red List are known to inhabit, and 9 of these species were confirmed to depend on freshwater ecosystems. As conservation categories may be adjusted according to IUCN Red List reassessments, the Company intends to continuously monitor relevant updates and manage the biodiversity status near its sites.

※ IUCN Red List: The International Union for Conservation of Nature (IUCN) identifies species at high risk of extinction and provides information on their distribution and habitat status to prevent the extinction of wildlife and conserve biodiversity. The Kunming-Montreal Global Biodiversity Framework (GBF) adopted by LG Energy Solution uses the IUCN Red List Index (RLI) as a core indicator to track trends in biodiversity conservation status.

Species	Red List Category	IUCN Red List Criteria	Habitat
Suweon Treefrog	EN	B2ab(i,ii,iii,v)	Terrestrial/Freshwater
Keun-yeon-yeong-cho	EN	A4cd	Terrestrial
Scaly-sided Merganser	EN	C2a(ii)	Terrestrial/Freshwater
Eburiko	EN	A2ad	Terrestrial
Yellow-bellied Treefrog	EN	B1ab(i,ii,iii,iv,v); C2a(i)	Terrestrial/Freshwater
Water Deer	VU	A2cd	Terrestrial/Freshwater
Siberian Musk Deer	VU	A2d+3d+4d	Terrestrial
Gold-spotted Pond Frog	VU	A2c	Terrestrial/Freshwater
Amur Stickleback	VU	A2c	Terrestrial/Freshwater
Lesser White-fronted Goose	VU	A2bcd+3bcd+4bcd	Terrestrial/Freshwater
Eastern Imperial Eagle	VU	C2a(ii)	Terrestrial/Freshwater
Rustic Bunting	VU	A2abcd+3bcd+4abcd	Terrestrial/Freshwater
bittermusseron	VU	A2c+3c+4c	Terrestrial
Kamchatka Trillium	VU	A4cd	Terrestrial

※ Red List Category
- This category represents the risk level of a species and is classified into EX (Extinct), EW (Extinct in the Wild), RE (Regionally Extinct), CR (Critically Endangered), EN (Endangered), VU (Vulnerable), NT (Near Threatened), LC (Least Concern), DD (Data Deficient), and NA (Not Applicable).
- However, marine species with low physical proximity and ecological connectivity were excluded from the scope due to their low direct relevance to its sites.

To protect the habitats of these protected species, the Company signed the One Company, One Stream Cleanup Partnership with Cheongju City. An employee volunteer group was formed to participate in the 2025 Miho River plogging event, and the Company conducts regular waste collection and invasive plant removal activities on a quarterly basis around Gakri-cheon in Ochang. Through these biodiversity conservation activities, LG Energy Solution minimizes the environmental impacts of its sites while continuing to develop biodiversity conservation strategies and initiatives, thereby contributing to the protection of local ecosystems.



2025 Miho River Plogging Event

Biodiversity Risk Management

LG Energy Solution assesses biodiversity- and deforestation-related impacts across its sites and applies the Mitigation Hierarchy to avoid development in Key Biodiversity Areas (KBAs) and minimize adverse impacts on biodiversity and ecosystems. Where impacts are unavoidable, restoration measures are implemented, and offsets may be considered as a last resort where residual impacts remain. In addition, the Company identifies the impacts on biodiversity and forests when establishing or expanding sites through Environmental Impact Assessments, and establish and monitor protection plans if negative impacts are identified.

1) Risk and Opportunity Identification

LG Energy Solution collaborates with experts to identify factors affecting biodiversity and deforestation, and conducts biodiversity and habitat conservation activities in local communities and areas surrounding its sites.

2) Mitigation Hierarchy

Taking into account the IUCN Protected Area Management Categories (I-IV) and applicable legal requirements, LG Energy Solution applies the Mitigation Hierarchy by avoiding impacts in areas requiring conservation, minimizing adverse impacts, and restoring or offsetting impacts where necessary.

3) Partnerships and Collaboration

LG Energy Solution collaborates with regional environmental authorities, local governments, habitat conservation organizations, and local communities to implement biodiversity and forest conservation programs.

4) Stakeholder Engagement

LG Energy Solution strives to enhance awareness of biodiversity and forest conservation among employees and external stakeholders. The Company strengthens communication and collaboration with supply chain partners, value chain stakeholders, civil society organizations, governments, and academic institutions, while actively participating in policy discussions and initiatives that support responsible business practices.

Biodiversity Metrics and Targets

LG Energy Solution has set more specific Key Objectives based on the results of the assessment of nature-related dependencies and impacts, and established related metrics and targets. In particular, the results derived focusing on the Ochang Energy Plant 1 and 2, which were identified as priority locations, were expanded company-wide and applied to metrics and targets.

1) Contributing to a low-carbon economy

ENCORE-based dependency assessments indicate that the battery and accumulator manufacturing industry demonstrates significant dependencies on climate-related ecosystem services, including flood mitigation, rainfall pattern regulation, and storm mitigation services. Accordingly, LG Energy Solution is implementing strategies to protect and strengthen climate-regulating ecosystem services as part of its climate action and carbon neutrality efforts.

2) Reducing environmental impact

Site operations were found to have significant dependencies on water-related ecosystem services, while emissions of toxic pollutants were identified as a key environmental impact. Accordingly, LG Energy Solution seeks to continuously reduce its environmental footprint through initiatives such as water resource conservation and pollutant emission reduction.

3) Supply Chain Environmental Impact Monitoring

The management of nature-related dependencies and impacts must extend beyond individual sites to encompass the entire value chain. Through the systematic monitoring and management of greenhouse gas emissions, water use, and pollutant emissions throughout the supply chain, LG Energy Solution aims to build a more sustainable and resilient supply chain.

[Nature-Related Dependencies, Impacts, and Key Targets]

Key Targets	Related Dependency / Impact	Ecosystem Services
Contributing to a Low-Carbon Economy Transition	Climate-related services	Flood mitigation / Rainfall pattern regulation / Storm mitigation
Reducing Environmental Impact	Water cycle-related services	Water flow regulation / Water purification / Water supply
	Disturbances	-
	Discharge of harmful substances into water and soil	-
Monitoring Supply Chain Environmental Impact	Key dependencies and impact items - Climate-related services - Water cycle-related services - Disturbances - Discharge of harmful substances into water and soil	All relevant ecosystem services - Flood mitigation - Rainfall pattern regulation - Storm mitigation - Water flow regulation / purification / supply

Based on its key targets, LG Energy Solution has established its Approach to Nature-related Considerations. This approach outlines the detailed objectives, performance indicators, and other key elements required to achieve these targets.

Ambition

LG Energy Solution aims to enhance sustainability and minimize risks by comprehensively managing nature-related dependencies and impacts across business operations and supply chain management.

Key Targets	Detailed Targets		Performance Indicators	
Contributing to Low-Carbon Economy Transition	• Identification, measurement, monitoring, and reporting of sustainability factors, including nature-related risks and climate risks • Integration within the climate risk management framework and company-wide ESG strategy • Internalization of climate considerations into financial strategies such as financing and investment	• Achieving Carbon Neutrality for entire value chain by 2050 **Scope 1 & 2** • Achieve RE100 by 2030 (at least 53% reduction compared to 2021) • Achieve Scope 1 & 2 Net-Zero by 2040 (100% reduction compared to 2021) **Scope 3** • Achieve Scope 3 Net-Zero by 2050 (100% reduction compared to 2021)	• First battery manufacturer to join RE100/EV100 (April 2021) • Obtained ISO 50001 (Energy Management System) certification for major production facilities in Korea and China • Expanding product LCA and obtaining Environmental Product Declaration (EPD) certifications	
Reducing Environmental Impact	• Minimizing operational environmental impact / Efficient use of resources • Identifying and managing environmental impacts, risks, and opportunities • Measuring and managing environmental impacts, and reducing related pollutant emissions • Implementing policy-based programs to reduce pollutant emissions, resource use, and natural capital impacts	• Obtaining Zero Waste to Landfill (ZWTL) certification for major global production sites by 2027 • Establishing environmental performance indicators based on ISO 14001	• ZWTL Certification - Ochang Energy Plant 1, LGESNJ, LGESNA, LGESNB : Platinum Grade - LGESMI: NSF Landfill-free certification	• Policy-based activities such as biodiversity conservation programs - Implementation of the Ochang Endangered Species Conservation Project and Plogging Activities
Monitoring Supply Chain Environmental Impact	• Monitoring and identifying the environmental impact of the supply chain • Encouraging suppliers to disclose environmental data and engage in reduction activities • Applying compliance priorities considering stakeholder and regulatory requirements • Integrating sustainability standards, environmental, and nature-related risks in cooperation with global initiatives	**Climate Action** • Carbon Neutrality Roadmap • 2030: RE100 transition for Tier-1 suppliers • 2040: RE100 transition for carbon reduction hot spots in the value chain • 2050: Realizing Carbon Neutrality across the entire value chain • Establishing a performance and capability management system for low-carbon material application **Responsible Supply Chain Management** • Operating a risk-based environmental management system • Conducting supply chain due diligence considering regulatory requirements • Securing raw material traceability • Establishing a due diligence acceptance system based on environmental impact assessment criteria	• Conducting Life Cycle Assessment (LCA) • Contributing to the design of a low-carbon transition supply chain • Operating supply chain environmental due diligence • Conducting annual ESG Self-Assessment Questionnaire (SAQ) and third-party due diligence for Tier-1 suppliers • Conducting third-party due diligence on raw materials for 20 or more suppliers starting from 2024	• Quantifying environmental impacts throughout the entire product life cycle (cradle-to-grave) from raw material extraction to transportation, manufacturing, and recycling

Future Plans

LG Energy Solution supports global conventions and initiatives aimed at protecting biodiversity and continues to establish goals, metrics, and targets that contribute to sustainable development. Going forward, the Company intends to publish annual ESG reports that include nature-related disclosures aligned with the recommendations of the TNFD framework. In addition, LG Energy Solution plans to establish biodiversity targets in line with the Kunming-Montreal Global Biodiversity Framework (GBF) and strengthen monitoring and performance tracking against those targets. Alongside the advancement of its disclosure practices, the Company continues to analyze its impacts and dependencies on natural capital. Furthermore, LG Energy Solution is reviewing approaches to identify, assess, and manage nature-related dependencies, impacts, risks, and opportunities across its portfolio. The Company also plans to further enhance its TNFD preparedness through biodiversity-related scenario analysis and the assessment of associated financial risks. LG Energy Solution supports the goals and targets of the Kunming-Montreal Global Biodiversity Framework (GBF), adopted at the 15th Conference of the Parties to the Convention on Biological Diversity (COP15), and will continue to strengthen the monitoring and assessment of biodiversity-related risks and impacts across its value chain.

Social



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To reduce discrimination and strengthen accountability, LG Energy Solution respects the human rights of its employees and all stakeholders. The Company strives to foster an organizational culture that embodies the values of Diversity, Equity, and Inclusion (DEI), and develops and manages concrete action plans to create a safe and healthy working environment and protect local communities.

This page visually represents the social ecosystem where diverse stakeholders come together through the shape of intersecting circles.

Sustainable Value Chain

Globally, the scope of ESG management is expanding beyond individual companies to encompass their supply chains. In particular, as supply chain due diligence requirements continue to strengthen under regulations such as the EU Corporate Sustainability Due Diligence Directive (CSDDD) and the battery due diligence provisions of the EU Battery Regulation, establishing a robust and continuous supply chain management framework has become increasingly important.

Responsible Supply Chain Policy

Supply Chain ESG Risk Management Framework

Supply Chain ESG Governance

LG Energy Solution systematically manages ESG risks across its supply chain, centered around the Supply Chain ESG Management Team under the Procurement Center reporting directly to the CEO, in collaboration with relevant departments such as the ESG Team and the Fair Trade Team. The Supply Chain ESG Management Team is responsible for establishing and implementing supply chain due diligence policies and carbon reduction strategies, enhancing communication with suppliers, and overseeing shared growth initiatives. The progress and performance of these activities are regularly reported to the management and the ESG Committee, while key supply chain ESG Policies are subject to review and approval by the Board of Directors.

Supply Chain ESG Risk Management Policy

To minimize ESG risks within the supply chain, LG Energy Solution has established the Responsible Supply Chain Policy, which is aligned with major global standards and frameworks, including the OECD (Organisation for Economic Co-operation and Development), UNGP (UN Guiding Principles on Business and Human Rights), and ILO (International Labour Organization). This policy is built on a governance system approved by top management, and the Company conducts annual reviews and revisions of its validity, transparently disclosing relevant performance to the public. The policy covers essential management principles for sustainable supply chain operations, including human rights and labor, ethical management, occupational health and safety, environmental sustainability, and responsible mineral procurement from conflict-affected and high-risk areas. Furthermore, the Company has established a supply chain due diligence management process based on international standards to ensure supply chain transparency and sustainability through a system of risk identification, assessment, response, verification, and reporting. It also evaluates the ESG performance of its suppliers through regular assessments and on-site audits to drive continuous improvement, and expands the use of responsibly sourced raw materials through third-party certifications and external collaborations. In addition, the Company presents responsible management requirements to its suppliers, such as conducting supply chain due diligence, disclosing information, and responding to risks, thereby systematically managing risks across the supply chain and building cooperative frameworks to support this. LG Energy Solution operates a grievance mechanism where concerns and inquiries regarding supply chain ESG risks can be reported anonymously, continuing to drive the establishment of a responsible and sustainable supply chain ecosystem.anonymously, continuing to drive the establishment of a responsible and sustainable supply chain ecosystem.

Implementation of the Code of Conduct for Suppliers

LG Energy Solution has established and implements a Code of Conduct for Suppliers to promote responsible and sustainable supply chain management. Based on the core principles of its Responsible Sourcing Policy—such as human rights and labor, ethical management, occupational health and safety, environmental sustainability, responsible mineral procurement, and grievance mechanisms—the Code of Conduct for Suppliers presents the regulations and standards that suppliers must adhere to. As a prerequisite for business transactions, all suppliers trading with LG Energy Solution must pledge compliance with the Code of Conduct annually and faithfully implement its contents, with pledge histories systematically managed through the Singlex Procurement System. In addition, LG Energy Solution revised the Code of Conduct in December 2025 to introduce the Life Cycle Assessment (LCA) framework, secure actual measured data related to carbon footprints, and strengthen resource circularity requirements. Furthermore, to comply with global due diligence regulations, the Company has enhanced due diligence on Tier-2 Suppliers, strengthened the mandate to use certified smelters, and supplemented grievance procedures, thereby advancing its overall supply chain management system.

Code of Conduct for Suppliers

Human Rights and Labor	Business Ethics	Health and Safety	Environment	Responsible Sourcing
- Prohibition of child and forced labor - Prohibition of discrimination based on DEI* - Recognition of freedom of association - Protection of minority community rights, etc.	- Prohibition of bribery and corruption - Transparent transactions and accurate record-keeping - Compliance with laws and regulations, etc.	- Compliance with health and safety regulations - Training and education for emergency response, etc.	- Introduction of Life Cycle Assessment (LCA) framework - Product carbon footprint (PCF) management - Implementation of energy/GHG reduction targets - Expansion of resource reuse/recycling, etc.	- Use of OECD due diligence guidance and internationally certified smelters - Compliance with UN Guiding Principles on Business and Human Rights

* DEI: Diversity, Equity, Inclusion

Supply Chain ESG Risk Management Strategy

LG Energy Solution is actively working to mitigate risks across the battery value chain in response to the growing number of global ESG regulations affecting supply chains, including the EU Corporate Sustainability Due Diligence Directive (CSDDD), the EU Forced Labour Regulation (EUFLR), and the U.S. Uyghur Forced Labor Prevention Act (UFLPA).

Efforts to Manage Risks Across the Battery Value Chain

To establish a sustainable battery ecosystem, LG Energy Solution recognizes the critical importance of expanding its risk management scope beyond direct Tier 1 suppliers to encompass the broader upstream supply chain. The Company implements the Code of Conduct for Suppliers and conducts regular ESG assessments to evaluate suppliers' ESG management capabilities, thereby ensuring a robust chain of custody. Furthermore, to proactively align with global regulations and customer requirements, it is progressively expanding the scope of its due diligence to identify and assess risks, with a strategic focus on critical raw material supply chains.

In addition, leveraging the Tier-N supplier database within its integrated supply chain information system, the Company secures comprehensive supply chain mapping data for each material. It also collects due diligence and third-party certification results regarding sub-tier suppliers directly from Tier 1 suppliers. These results are monitored via a dashboard. In the event of any non-conformities, suppliers are required to submit corrective action results and supporting evidence, enabling the Company to proactively mitigate supply chain risks.

Conflict Minerals (3TG) Monitoring and Management Process

LG Energy Solution operates an internal process to manage and trace conflict minerals that may be sourced from conflict-affected and high-risk areas, and to continuously check the feasibility of substitution for alternative sources and risk mitigation, in addition to managing supply chain risks for key battery raw materials. To systematically manage conflict minerals and other minerals of concern, the Company requires all Tier-1 suppliers to annually submit the Conflict Minerals Reporting Template (CMRT)* and Extended Minerals Reporting Template (EMRT)** to verify the origin of minerals contained in supplied products and ensure transparency regarding smelter and country-of-origin information. Submitted data are collected and maintained within the integrated hazardous substance management system, where their reliability is thoroughly verified, including consistency checks. As of April 2026, a total of 9,352 CMRTs and 8,677 EMRTs had been registered in the system.

*CMRT: Conflict Minerals Reporting Template
**EMRT: Extended Minerals Reporting Template

What are Conflict Minerals?

Conflict minerals refer to the four major minerals (tin, tantalum, tungsten, and gold) mined in the Democratic Republic of the Congo (DRC) and its neighboring countries. The target countries include 10 nations: the DRC, Sudan, Rwanda, Burundi, Uganda, Congo, Zambia, Angola, Tanzania, and the Central African Republic. In these countries, armed groups, including rebels and government forces, control the mining and distribution of minerals to secure funds and sustain conflicts. In this process, serious human rights issues such as casualties, human rights violations against local residents, and labor exploitation are caused, along with various social problems including environmental pollution.

In July 2010, the passage of the "Dodd-Frank Wall Street Reform and Consumer Protection Act," which includes conflict minerals regulatory provisions, by the US Congress established a legal basis to sanction the use of conflict minerals. Accordingly, starting from 2014, companies listed on the US stock market must report their use of conflict minerals to the US Securities and Exchange Commission (SEC) by May 31 each year. Consequently, not only US-listed companies but also domestic companies supplying products to these companies have been affected by these regulations.

Target of 100% RMAP-Conformant Cobalt Refiners (Responsible Minerals Assurance Process)

LG Energy Solution is strengthening its responsible sourcing framework across the entire supply chain of the four major minerals (nickel, cobalt, lithium, and natural graphite) essential for battery manufacturing. For more transparent and verifiable supply chain management, the Company identifies the sourcing routes and smelter information of these minerals based on the CMRT collected from Tier-1 suppliers, and establish supply chain management targets to run related programs based on this.

LG Energy Solution aims to have all cobalt refiners identified in the supply chain obtain the RMAP (Responsible Minerals Assurance Process) certification of the RMI (Responsible Minerals Initiative) by 2026, and plans to gradually expand the target minerals for refiner certification. RMAP certification is a system that verifies that the relevant smelter operates a responsible supply chain management system, and is recognized as an international standard for securing the credibility and sustainability of the global supply chain. The Company will continue to cooperate with various stakeholders and utilize authorized standards to make efforts for sustainable raw material procurement and building a responsible supply chain.

Operating Supplier Training Programs

LG Energy Solution operates supplier training programs to enhance suppliers' understanding of supply chain ESG activities and support the development of their ESG capabilities. The program covers major global regulations, the latest ESG trends and implications for the battery industry, and supply chain ESG management strategies and key activities. In addition, key elements of the training are incorporated into internal training programs for procurement managers at LG Energy Solution.

[Supplier Training Performance]

Year	Training Details
2023	1) Global ESG trends and introduction to LG Energy Solution's ESG policies 2) Global regulatory trends and implications related to responsible supply chains and carbon reduction 3) Status of key supply chain ESG priorities and guidance for implementation
2024	1) Response to global ESG regulations - Supply chain due diligence trends and implications, EU Battery Regulation, and supply chain traceability management system 2) Shared growth - Compliance with the Fair Transactions in Subcontracting Act, self-development, and technological innovation
2025	1) Supply chain traceability training in response to global regulations - Latest trends in forced labor regulations, guidelines for securing traceability, etc. (32 suppliers completed training) 2) ESG regulatory trends and understanding of the Code of Conduct for Suppliers (completed by 106 suppliers)

Supply Chain ESG Risk Monitoring

LG Energy Solution conducts annual ESG assessments on compliance with the Code of Conduct for Suppliers, identifies corrective action plans in connection with on-site audits, and monitors implementation results. ESG assessments of suppliers are divided into two types: ① new supplier registration assessment and ② regular assessment. The new supplier registration assessment is a diagnostic assessment conducted on prospective new suppliers. This assessment consists of 8 ESG-related items, accounting for 10% of the total score. Detailed items include sustainability management certification, labor/human rights management, responsible supply chain management, conflict minerals management, and renewable energy/recycling. In addition, to ensure the objectivity and reliability of the assessment, the Company requires the collection of supporting evidence for each item, just like the regular assessment. Regular assessments are conducted on suppliers selected from all Tier-1 suppliers based on internal selection criteria such as sales volume, country, sector and commodity(mineral)-specific risks, and the ESG assessment factor is an important item that accounts for 15% of the regular procurement assessment. The assessment results are strictly managed in connection with the supplier procurement assessment.

Supplier ESG Assessments and Supply Chain Due Diligence

LG Energy Solution has developed and operates its own ESG Self-Assessment Questionnaire (SAQ) consisting of 64 questions, reflecting global standards such as the OECD Due Diligence Guidance, the Responsible Business Alliance (RBA) Code of Conduct, the EU Corporate Sustainability Due Diligence Directive (EU CSDDD), and the EU Battery Regulation. This covers major ESG areas including labor conditions and human rights, ethical management, supplier CSR, energy and greenhouse gases, and safety, health, and environment, based on which regular ESG assessments of suppliers are conducted.

[Regular Supplier ESG Assessment Process]

Stage	Details
Step 1: ESG Self-Assessment (SAQ)	Conducting written self-diagnosis of suppliers based on the ESG Self-Assessment Questionnaire
Step 2: ESG Risk Assessment and Classification	Classifying ESG risk levels (high, medium, low risk groups) through analysis of self-assessment results
Step 3: Selection of On-site Audit Targets	Selecting high-risk and potential-risk suppliers as targets for on-site audit in accordance with internal risk assessment criteria
Step 4: On-site Audit	Conducting on-site audit with third-party verification agencies and identifying non-compliance items
Step 5: Corrective Actions and Implementation Monitoring	Establishing corrective action plans for non-compliance items within a time frame and continuously monitoring the status of corrective action implementation for continued business relationships

The 2026 ESG assessment was conducted on 114 suppliers subject to regular assessment among Tier-1 suppliers. The average score of the self-assessment (SAQ) was 92.4 points, showing an improvement of 7.1 points compared to the 2025 average of 85.3 points, and the number of high-risk suppliers also decreased from 48 to 16. This change is analyzed as a result of securing assessment periods, conducting supply chain due diligence consulting in the previous year, and implementing corrective measures for non-compliance items after on-site audits. Furthermore, from 2025, to enhance the credibility of the assessment, submitting supporting evidence was made mandatory for 24 core management items that have potential legal issues or pose high potential risks if not implemented, out of the total 64 questions. By strengthening the assessment criteria so that scores for the corresponding questions are not recognized if supporting evidence is not attached, the assessment system has been advanced from a simple response-oriented assessment to a quantitative verification-based assessment system that confirms actual management systems and implementation. The assessment results are analyzed according to the risk assessment criteria of LG Energy Solution and are used to screen and intensively manage high-risk suppliers. In addition, for suppliers with weak safety, health, and environmental capabilities, the Company operates systematic capacity-building programs including training, basic-level diagnosis, and the derivation and implementation support of corrective action plans to help suppliers improve their ESG management levels. In addition, the Company conducts on-site audit in cooperation with third-party professional verification agencies for approximately 20 domestic and overseas suppliers selected through supplier self-assessment results and LG Energy Solution risk assessment criteria. This is to secure the objectivity and professionalism of the audit and to enhance credibility in responding to global regulations. The audit is conducted by reviewing documents as well as directly checking the actual working environment and the operational status of the management system. Human rights-related matters are checked through confidential one-on-one interviews between auditors and workers, thoroughly guaranteeing the anonymity of participants, and any disadvantageous dispositions or retaliatory acts based on interview participation or the content of statements are strictly prohibited. For non-compliance items identified during the on-site audit, suppliers are guided to analyze the causes and establish improvement measures and implementation plans, and promote improvement activities through consultation with verification agencies and LG Energy Solution. Thereafter, the Company regularly reviews and continuously monitors the implementation status of corrective actions to strengthen suppliers' ESG risk management capabilities and enhance the sustainability of the overall supply chain.

[Key Indicators for Supplier ESG Risk Assessment]

Labor Conditions and Human Rights
- Prohibition of Child Labor
- Protection of Vulnerable Workers
- Prohibition of Forced Labor
- Humanitarian treatment
- Grievance mechanism
- Non-discrimination
- Working hour compliance
- Wage and Employee benefit
- Freedom of association
- Protection of indigenous peoples' rights

Occupational Health, Safety, and Environment
- Permit and license management
- Appointment of managers and operation of committees
- Training and education
- Risk prevention and management
- Accident management
- On-site management
- Health management
- Hazardous chemical management

Supplier CSR
- Supplier CSR management
- Conflict minerals management

Energy/Greenhouse Gas
- Energy management
- Greenhouse gas management

Business Ethics
- Anti-corruption
- Whistleblower Protection
- Information security

ESG Management System
- ESG management system

Grievance Mechanism

LG Energy Solution operates grievance channels that allow various stakeholders, including all suppliers in the supply chain, to report concerns related to human rights, occupational health and safety, environment, and corporate ethics. By explicitly including supplier grievance systems in its Responsible Sourcing Policy, LG Energy Solution has established procedures to promptly and fairly resolve issues that may arise within the supply chain, including potential and actual adverse impacts related to battery mineral supply chains. In addition, the Company assesses whether suppliers have grievance mechanisms in place as part of its due diligence process. Where such mechanisms are not in place, the Company recommends their establishment and verifies their implementation. The identity of whistleblowers and the confidentiality of reported concerns are strictly protected. The Company maintains a zero-tolerance policy toward any form of retaliation against individuals who report misconduct or participate in follow-up investigations.

Grievance Channels

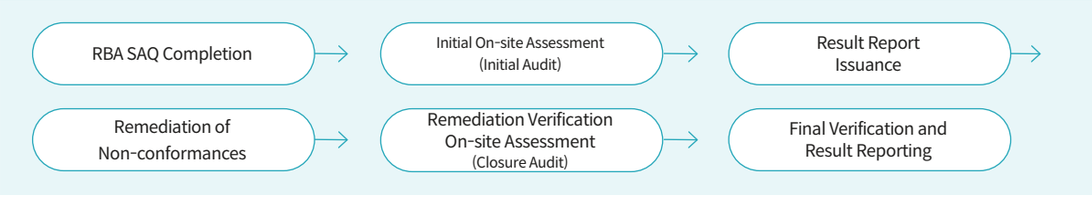
Supplier Grievance System Email : grievance@lgensol.com

ESG Risk Management at LG Energy Solution Own Sites

Conducting Regular RBA VAP for Manufacturing Sites

LG Energy Solution regularly conducts site assessments using the RBA VAP (Validated Assessment Program) developed by the RBA (Responsible Business Alliance) to manage ESG risks that may occur at each manufacturing site. This assessment reviews the risk status, management plans, and measures across five areas (labor, health and safety, environment, ethics, and supply chain management). The scope of the assessment includes not only directly employed personnel but also indirectly employed workers, including those from suppliers and contractors. The target sites for assessment are manufacturing sites with more than one year of operational history, and the process consists of a Self-Assessment Questionnaire (SAQ) and on-site assessments (Initial Audit and Closure Audit) involving third-party auditors. To proactively manage ESG risks within its sites, the RBA VAP, which includes on-site assessments, is conducted biennially, while the RBA SAQ (Self-Assessment Questionnaire) is conducted annually. In addition to the ESG department, representatives from relevant departments in human resources, environment, health and safety, procurement, and ethics participate in the assessment process, contributing to the enhancement of site risk management. Currently, there are six target sites for assessment, and LG Energy Solution plan to gradually expand the scope of due diligence in accordance with the mass production schedules of new sites and joint venture management strategies in the future.

[RBA VAP Process]



Annual Site ESG Risk Assessment Results and Corrective Actions

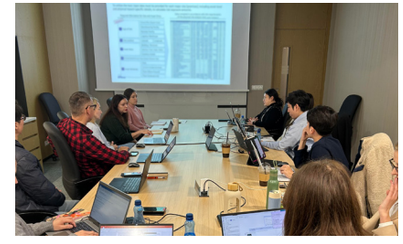
LG Energy Solution conducted ESG risk assessments in 2023 at five manufacturing sites located in Korea (Ochang Energy Plant), China (LGESNJ, LGESNA, LGESNB), and Poland (LGESWA). In 2024, the assessment scope was expanded to inlcude the US manufacturing site (LGESMI). In 2025, ESG risk assessments were completed at a total of five manufacturing sites in South Korea, China, and the US. In particular, for the US manufacturing site (LGESMI), the assessment focused on reviewing the implementation status of corrective actions taken to address non-conformities identified in the previous on-site assessment.

As a result of the ESG risk assessments conducted at manufacturing sites from 2023 to 2025, it was confirmed that all sites maintained excellent levels in four areas: environment, health, safety, ethics, and supply chain. However, it was identified that some improvements are needed in terms of compliance with labor systems (consecutive working days, overtime hours) within the labor area. To address this, LG Energy Solution is strengthening institutional support mechanisms for employees through policy enhancements and organizational improvements in the short term. Over the long term, the Company continues to forster a healthy and sustainable workplace culture through ongoing engagement and consensus-building with employees. Furthermore, no significant human rights violations related to forced labor or child labor were identified during the assessment period.

In 2026, LG Energy Solution plans to conduct ESG risk assessments at its manufacturing sites in the US (LGESMI), and Poland (LGESWA), to continuously verify that ESG risk management systems are being implemented consistently and effectively across all global manufacturing sites.

Global Site ESG Workshop

In addition to the RBA VAP assessments conducted to manage ESG risks at each site, LG Energy Solution operates the Global Site ESG Workshop to promote discussions on ESG risk management issues and improvement initiatives between headquarters and overseas sites, while strengthening sustainability capabilities across the organization. Held annually, the workshop aims to enhance the ESG execution capabilities of local sites by sharing ESG management practices and key initiatives, as well as identifying and disseminating best practices. In addition, the Company strengthens the ESG expertise of practitioners through networking among ESG managers, encourages the development of site-specific initiatives aligned with global ESG trends, and promotes consistency in ESG-related external communications. Furthermore, by providing a platform for discussing ESG-related challenges and improvement initiatives faced by individual sites, the Company continues to strengthen its ESG risk management framework across global operations.



LGESWA ESG Workshop

Shared growth

**LG Energy Solution regards its suppliers not merely as business partners, but as long-term collaborators with whom it grows and succeeds together.
Its shared growth initiatives—encompassing fair trade practices, support for stable business operations, talent development, and enhanced employee welfare—demonstrate how ESG management is put into practice across the value chain. Going forward, LG Energy Solution will continue to work closely with its suppliers to build a healthier and more sustainable industrial ecosystem.**

Supporting Shared Growth with Suppliers

In June 2025, LG Energy Solution signed the Partnership Agreement for Strengthening the Supplier Ecosystem with the National Commission for Corporate Partnership (NCCP) to help bridge the gap between large enterprises and SMEs and promote mutually beneficial collaboration. To fulfill this commitment, the Company strictly adheres to the NCCP's three payment principles—fair pricing, timely payment, and cash-equivalent payment methods—across all transactions, including subcontracting, consignment, delivery, and service agreements. In addition, LG Energy Solution operates a wide range of programs to strengthen the self-reliance and fundamental competitiveness of its SME suppliers. These programs include recruitment support, job skills training, management consulting, and technical data escrow fee support. The Company also fosters a sustainable supplier ecosystem through practical shared growth initiatives, ranging from talent development and employee welfare support to financial assistance programs such as the *Naeil Chaeum Mutual Aid Program and the Shared Growth Investment Support Fund. As a global leader in the battery industry, LG Energy Solution remains committed to strengthening partnerships with suppliers and fostering a robust shared growth ecosystem, thereby driving technological innovation and enhancing long-term competitiveness.

* A government-sponsored savings and employee retention program for SMEs in South Korea

Four Key Strategies for Shared Growth

In 2025, LG Energy Solution was selected as a company subject to the Shared Growth Index evaluation and will undergo its first full assessment in 2026 based on its 2025 performance. To promote a fair business culture and foster mutual growth with suppliers, the Company operates four key shared growth strategies: promoting fair trade practices, providing financial support to suppliers, supporting supplier business stability, and assisting supplier recruitment and employee welfare. In addition, outstanding suppliers are given priority access to shared growth programs, helping create a virtuous cycle of sustainable partnership and mutual growth.

Category	Details	Shared Growth Program
Promoting a Fair Trade Culture	The Company manages the entire supplier transaction process to ensure compliance with applicable laws and regulations.	· Subcontracting Review Committee · Dispute Mediation Committee · Annual Shared Growth Day · Supplier Voice of Customer (VOC) Program
Financial Support for Suppliers	The Company operates various financial support programs to help suppliers respond effectively to a rapidly changing business environment.	· Operation of the Shared Growth Investment Support Fund · Participation in the Joint Project Guarantee Program · Improvement of Subcontract Payment Terms · Operation of the Shared Growth Payment System · Operation of the Cash Payment Monitoring System
Supporting Supplier Business Stability	The Company operates a range of programs designed to strengthen suppliers' business management capabilities and enhance operational stability.	· Management Consulting Support · CSDDD Regulatory Compliance Support Program · ESG Supply Chain Consulting Program · Technical Data Escrow Fee Support
Supporting Supplier Recruitment and Employee Welfare	The Company operates programs that help suppliers attract and develop talented employees, improve employee welfare, and encourage long-term retention.	· Online Recruitment Platform for Suppliers · Online Learning Content for Supplier Employees · Naeil Chaeum Mutual Aid Program · Access to LG Employee Welfare Mall for Supplier Employees

Overview and Scope of the Shared Growth Index

The Shared Growth Index is an indicator that measures and evaluates the level of shared growth between large companies and SMEs. Companies subject to evaluation are selected by the Korea Commission for Corporate Partnership based on social impact and market influence, with reference to separate financial statements disclosed to the Financial Supervisory Service.

Evaluation Framework and Methodology

The Shared Growth Index is calculated annually using a 50:50 weighting of the Fair Trade Agreement Implementation Assessment conducted by the Korea Fair Trade Commission (KFTC) and the Shared Growth Comprehensive Assessment conducted by the Korea Commission for Corporate Partnership (KCCP). Results are disclosed in five grades: Excellent, Outstanding, Good, Average, and Needs Improvement.

- **Fair Trade Agreement Implementation Evaluation** (FTC)
  Evaluates the implementation of fair trade agreements between large companies and SME suppliers. Key assessment areas include contract fairness, compliance efforts and prevention of legal violations, and support for shared growth and cooperation.
- **Comprehensive Shared Growth Evaluation** (NCCP)
  Evaluates suppliers' perceptions of business transactions, cooperative relationships, and shared growth practices. It also assesses corporate performance in areas such as fair profit sharing, shared growth funds, wage gap reduction, support for start-ups, domestic and overseas market access, and technology protection.

Promoting a Fair Trade Culture

Subcontracting Review Committee

LG Energy Solution holds a preliminary review committee prior to initiating subcontracting transactions to verify the fair selection of partner companies and the appropriate execution of contracts. In addition, follow-up reviews are conducted one year after the preliminary review, and a comprehensive annual inspection of overall subcontracting transactions is carried out to thoroughly review compliance with relevant laws and regulations, such as payment delays. The Subcontracting Review Committee was held a total of four times in 2024, once per quarter, and was expanded to once a month in 2025, holding a total of 12 meetings.

Dispute Mediation Committee

LG Energy Solution has established and operates a Dispute Mediation Committee to independently resolve disputes that may arise during or after transactions with suppliers, including issues related to payment adjustments and delayed payments.
The Committee operates through both regular and ad hoc meetings. Regular meetings are held annually to deliberate on matters such as the appointment of the Committee Chair and members, as well as amendments to Committee regulations and operating procedures. Ad hoc meetings are convened whenever relevant issues arise to facilitate timely review and decision-making. Following 2024, no agenda items were submitted to the Dispute Mediation Committee's ad hoc meetings in 2025. In addition, no legal disputes related to payment adjustments or delayed payments occurred during the reporting period.

Shared Growth DAY

LG Energy Solution hosts the Annual Shared Growth Day to introduce its various shared growth programs to suppliers. In 2025, employees from 66 suppliers participated in training sessions covering the Subcontracting Act, the Shared Growth Payment System, and the prevention of technology misappropriation, all of which are essential for fair transactions between Tier-1 and Tier-2 suppliers. Through this event, the Company promotes a fair trade culture by providing a platform for communication and collaboration, while facilitating the sharing of ESG best practices and benchmark cases among suppliers to encourage broader participation in shared growth initiatives.

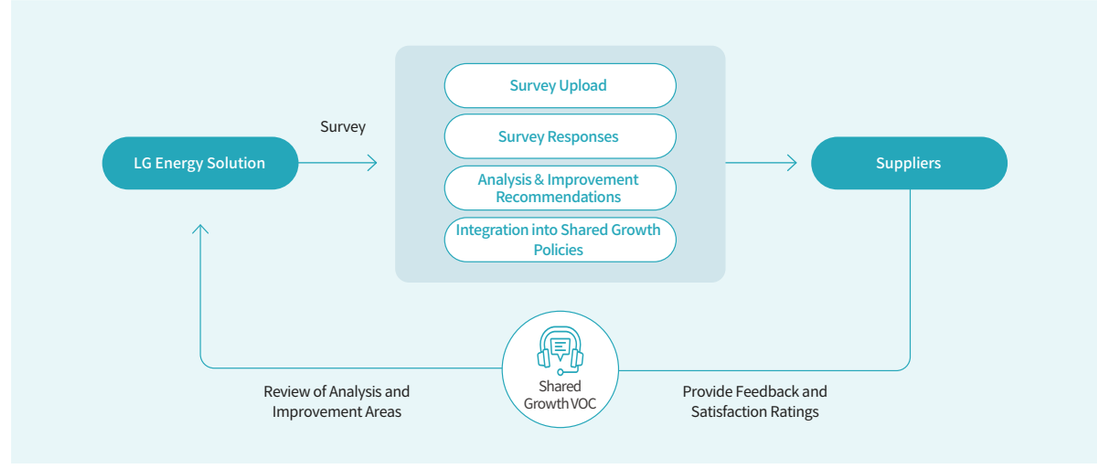




Shared Growth DAY

Supplier Feedback and VOC Program

LG Energy Solution continuously improves its shared growth framework by collecting supplier feedback and satisfaction survey results. In particular, to help prevent supplier disputes and promote fair and transparent resolution processes, the Company operates a Supplier Collaboration Portal within its procurement portal, providing suppliers with integrated grievance and dispute resolution support.



Financial Support for Suppliers

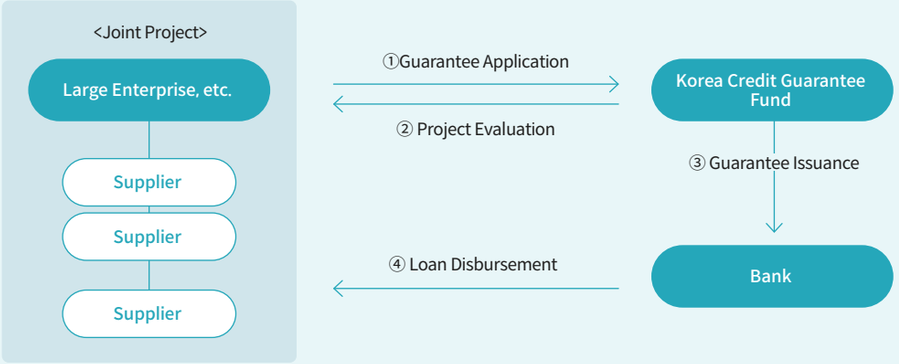
Shared Growth Investment Support Fund

LG Energy Solution has established a loan fund worth KRW 150 billion based on funds deposited with financial institutions since 2020, supporting suppliers to obtain loans at low interest rates.

Stage	Key Details	Department/Organization in Charge
1. Application	Receiving applications from suppliers wishing to use the fund	LG Energy Solution Procurement Department
2. Recommendation	Eligibility review and recommendation to partner banks	LG Energy Solution Fair Trade Team
3. Execution	Loan review confirmation and fund execution	Partner Banks

Participation in the Joint Proejct Guarantee Program of the Korea Credit Guarantee Fund (KODIT)

LG Energy Solution provides collective credit guarantees to suppliers participating in projects through the Joint Project Guarantee Program. This helps resolve suppliers' lack of collateral, simplifies guarantee procedures, and offers benefits such as preferential guarantee fee rates.



Improving Subcontract Payment Terms

LG Energy Solution pays subcontract amounts to small and medium-sized suppliers within 60 days. In addition, the system has been improved so that outstanding suppliers can receive payments in cash within 10 days after the closing date, and this ratio reached 94% of the total subcontract payments as of the second half of 2025. (Information on payment method, amount of payment by period, and the dispute mediation organization is disclosed twice a year through the Electronic Disclosure System.)

Operating the Win-Win Payment System

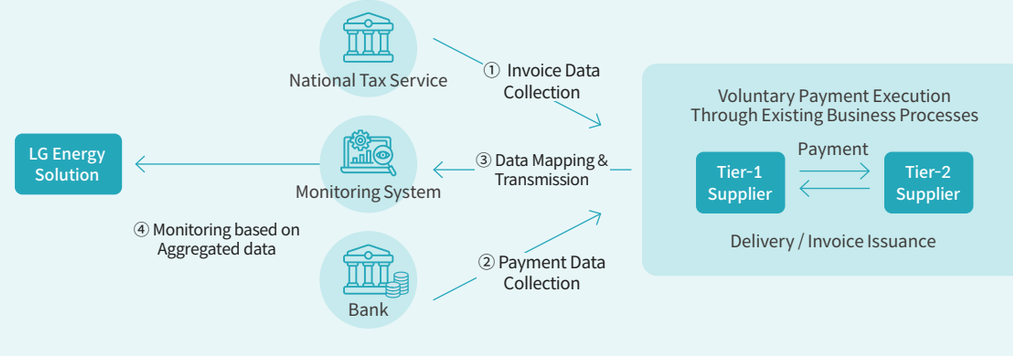
LG Energy Solution contributes to reducing the financial costs of suppliers by supporting them to use accounts receivable paid to suppliers at low interest rates equivalent to the company's credit rating.

[Shared Growth Payment Process and Benefits]

- Step 1 (Payment): LG Energy Solution makes payments to Tier-1 suppliers through the Shared Growth Payment System, enabling early cash conversion.
- Step 2 (Distribution): Based on the payment received, Tier-1 suppliers deposit Shared Growth Payment funds and allocate payments to Tier-2 suppliers.
- Step 3 (Utilization): Tier-2 suppliers may choose one of the following options for fund utilization
  - Receive 100% of the payment in cash on the scheduled payment date
  - Convert the payment into cash before the scheduled payment date
  - Make advance payments to their own suppliers before the scheduled payment date

Cash Payment Monitoring System

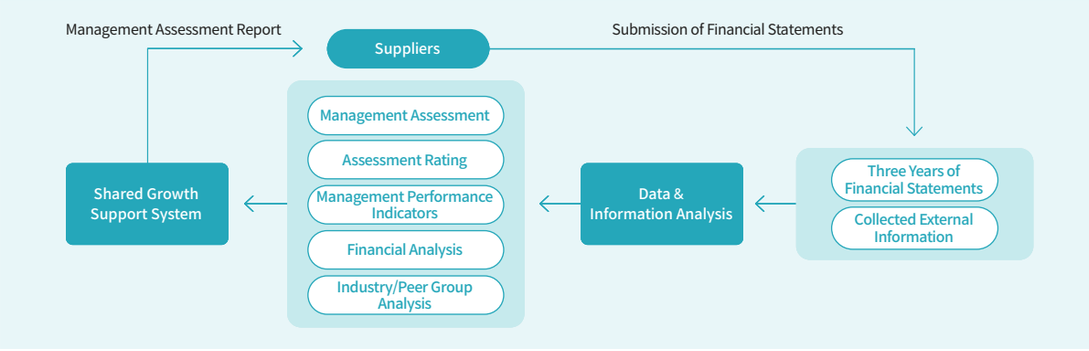
LG Energy Solution operates a cash payment monitoring system to transparently manage payment information between Tier-1 and Tier-2 suppliers and to encourage the improvement of payment terms.



Supporting Supplier Business Stability

Management Consulting Support

LG Energy Solution provides management consulting support through external professional institutions to help suppliers conduct independent financial assessments and stregnthen their management capabilities.



CSDDD Regulatory Compliance Support Program

LG Energy Solution supports suppliers seeking to prepare for the European Union's Corporate Sustainability Due Diligence Directive (CSDDD) by strengthening their supply chain due diligence response and implementation capabilities.
Through this program, suppliers are better equipped to identify and manage adverse environmental and human rights impacts, thereby enhancing the export competitiveness of small and medium-sized enterprises (SMEs) and mid-sized companies.

※ Corporate Sustainability Due Diligence Directive (CSDDD) : An EU directive that requires companies to identify, prevent, mitigate, and transparently disclose actual and potential adverse impacts on human rights and the environment arising from their business activities and value chains.

ESG Supply Chain Consulting Support Program

As global ESG regulations, including the EU Corporate Sustainability Due Diligence Directive (CSDDD), continue to strengthen, demand for sustainability management across supply chains is increasing. In response, LG Energy Solution participates in the government-supported ESG Supply Chain Consulting Program for Export SMEs, providing consulting support to help suppliers strengthen their ESG due diligence capabilities and enhance sustainability management across the supply chain.

Technical Data Escrow Fee Support

LG Energy Solution supports the costs incurred by SME suppliers when depositing their core technical data with accredited institutions that ensure reliability and security. Through this initiative, the Company helps reduce the risk of technology leakage and strengthen technology protection for suppliers.for SMEs.

Supporting Supplier Recruitment and Employee Welfare

Online Recruitment Platform for Suppliers

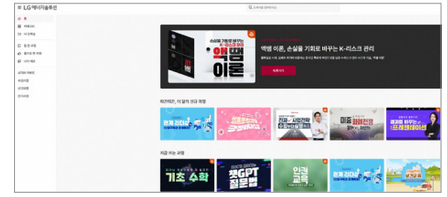
LG Energy Solution operates an online recruitment platform dedicated to suppliers within a recruitment portal website. Through this platform, suppliers are able to promote their companies directly and attract, idenfity, and recruit qualified talent.



Online Recruitment Platform for Suppliers

Online Learning Platform for Supplier Employees

LG Energy Solution provides supplier employees with complimentary access to approximately 40,000 learning contents across 21 subject areas through its smart learning platform. The curriculum covers legally required training, environmental and occupational safety, job competency development, technology, Office Automation (OA) skills, and foreign language education. In particular, employees are strongly encouraged to complete training in key areas such as technology protection and environmental safety, helping suppliers strengthen their capabilities and competitiveness.



Online Education Website for Suppliers

Naeil Chaeum Mutual Aid Program

To help suppliers attract and retain talented employees, LG Energy Solution supports the Naeil Chaeum Mutual Aid Program. Through the program, matching contributions jointly funded by LG Energy Solution and the Ministry of SMEs and Startups are provided to key employees of suppliers as performance-based incentives, helping enhance suppliers' human capital competitiveness and workforce stability.

Providing Access to the LG Employee Welfare Mall

To support the welfare and well-being of supplier employees, LG Energy Solution provides supplier employees with access to the LG Employee Welfare Mall, an online employee benefits platform. Through this platform, supplier employees can conveniently purchase products and access services offered by LG affiliates at employee-discounted rates, contributing to enhanced employee welfare and satisfaction.

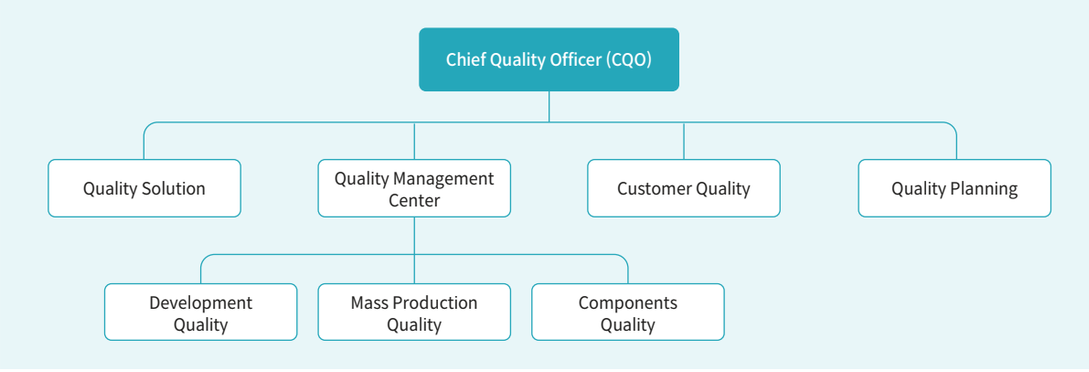
Product Stewardship

LG Energy Solution continuously strives to deliver superior product quality that exceeds customer expectations. To this end, the Company has established a robust quality management system and carries out a wide range of initiatives to enhance quality and safety throughout all manufacturing processes. Furthermore, through continuous improvement and the sharing of expertise and best practices, LG Energy Solution promotes a collaborative quality management system involving both employees and suppliers.

Product Quality Management System

To strengthen customer trust in its product quality, LG Energy Solution has established dedicated quality organizations under the Chief Quality Officer (CQO) to enhance quality control and analytical capabilities across the Company. Based on this governance framework, the Company operates a product quality management system in accordance with ISO 9001:2015 (Quality Management Systems) and IATF 16949:2016 (Automotive Quality Management Systems). In addition, LG Energy Solution conducts annual evaluations to assess the achievement of quality management objectives and continuously enhances its quality control processes and standards based on the results. Through this cycle of continuous improvement, the Company systematically and effectively manages its quality management system to strengthen its global quality competitiveness.

[Product Quality Management Governance Structure]



Product Quality Certification Status

IATF 16949:2016, the global automotive quality management standard based on ISO 9001:2015, has been certified across LG Energy Solution's headquarters, domestic and overseas manufacturing sites, and major R&D centers. The Company maintains certification through regular surveillance and recertification audits and conducts annual internal audits to ensure compliance with quality standards and customer requirements.

As of April 2026, LG Energy Solution has obtained internationally recognized quality management system certifications for:

- 100% of its wholly-owned manufacturing sites in operation.
- 91% of its wholly-owned manufacturing sites, R&D centers, and headquarters.
- 71% of its manufacturing sites, R&D centers, and headquarters in operation, including joint ventures.

[International Quality Certification Status]

Category	Site	Certification
Korea	Headquarters	IATF 16949, ISO 9001
	Ochang Energy Plant 1	IATF 16949, ISO 9001
	R&D Campus Daejeon (Daejeon)	IATF 16949, ISO 9001
	R&D Campus Gwacheon	IATF 16949, ISO 9001
	R&D Campus Magok	-
China	LG Energy Solution (Nanjing) Co., Ltd.	IATF 16949, ISO 9001
	LG Energy Solution Battery (Nanjing) Co., Ltd.	IATF 16949
	LG Energy Solution Technology (Nanjing) Co., Ltd.	IATF 16949
Poland	LG Energy Solution Wroclaw sp. z o.o.	IATF 16949, ISO 9001
United States	LG Energy Solution Michigan Inc.	IATF 16949, ISO 9001
Canada	NextStar Energy Inc.	IATF 16949

Strengthening Employee Quality Control Capabilities

LG Energy Solution operates Ensol Campus, its in-house learning platform, to strengthen employees' professional competencies and expertise. The Company provides equitable access to learning opportunities for all employees, regardless of position level or employment type, and offers a wide range of training programs, including online courses.

[Key Quality Training Programs]

- **General Quality Training**
  A wide range of quality-related training programs available to all employees, covering quality management, product safety, reliability and statistics, and global regulatory requirements.
- **Specialized Practical Training**
  Ongoing training courses and hands-on workshops designed for quality professionals across all sites to enhance in-depth product knowledge and develop specialized quality management expertise.

Quality Management Process

LG Energy Solution has established and operates a proprietary quality assurance system across its sites to support systematic quality management and sets quantitative targets to continuously improve quality performance. Internal quality standards are rigorously established based on internationally recognized certification standards. Based on these standards, the Company conducts stage-by-stage verification and safety testing throughout the entire process, from material sourcing and product design to manufacturing and supply. In addition, the Company operates a comprehensive supply stability management strategy to proactively identify and manage potential risks associated with product supply.

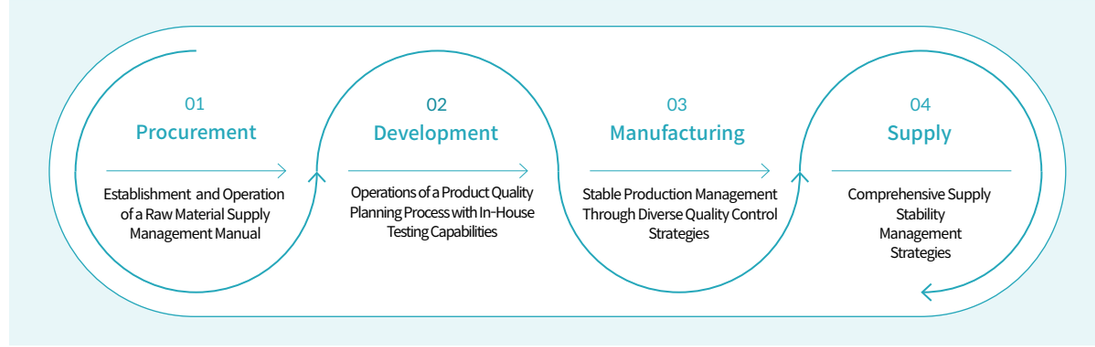
Rigorous Product Quality and Safety Testing

LG Energy Solution operates a rigorous quality verification system from product development to mass production to provide safe and reliable products to customers. In the product development stage, the Company verifies quality integrity within the end consumer's usage period through reliability, environmental, and safety tests, and in the mass production stage, the Company maintains stable quality through periodic product inspections. The major quality verification tests (Quaity Gate) in the product development stage are as follows:

Reliability Test	Environmental Test	Safety Test
Performance verification to ensure stable operation without quality issues during a given environment and period of use	Verification of product performance under extreme conditions, including temperature, humidity, vibration, and shock	Verification of product safety in potential abnormal situations such as collision, drop, short circuit, overcharge, and overdischarge

Through these verification and testing processes, the Company works to identify and address potential defects at an early stage, helping to maintain high standards of product quality.

[Quality Risk Prevention and Management Process]



[Customer-Oriented Quality Management Process]

Process	Description
Procurement	LG Energy Solution manages supply disruptions through a structured emergency response system covering natural disasters, accidents, supplier and logistics issues, raw material shortages, geopolitical risks, and regulatory changes. The Company also conducts Supply Chain Risk Evaluations for key raw materials and suppliers, assessing regulatory compliance, environmental and human rights impacts, and operational conditions. Based on identified risks, including forced labor and environmental compliance risks, mitigation measures are implemented through short-term actions such as alternative sourcing and production adjustments, and long-term strategies including multi-sourcing, supplier diversification, manufacturing site transfers, and due diligence-based improvements.
Development	Through its Product Quality Planning Process, LG Energy Solution integrates customer requirements, international standards, and new technologies from the early stages of product development to enhance product quality. The Company verifies performance, safety, and reliability from product design through component approval, proactively identifying quality risks and obtaining required international certifications.
Manufacturing	Comprehensive quality inspections are conducted throughout the production process, from raw material receipt to final product shipment. Leveraging its global manufacturing footprint and scalable production capacity, LG Energy Solution can rapidly shift production between sites in the event of unexpected disruptions, ensuring business continuity and stable product supply.
Supply	Products undergo rigorous shipment inspections based on customer-specific quality requirements. Transportation and storage standards are applied considering product specifications and logistics conditions, while packaging is designed to mitigate risks such as temperature, humidity, and external impacts during transit. To further strengthen supply stability, the Company implements strategies including dual sourcing, external warehouses, Vendor Managed Inventory (VMI), and safety stock management.

Quality Risk Response System

When a quality risk occurs in LG Energy Solution's products, various stakeholders, including customers and end users, are directly or indirectly affected. Quality issues can occur throughout the entire value chain, from product development to material procurement, manufacturing, inventory storage, and product delivery. Accordingly, the Company has established a comprehensive management system to quickly respond to crises and effectively mitigate risks. Beyond producing defect-free products, LG Energy Solution is continuously striving to enhance quality and safety by optimizing product performance and lifespan.

[Quality Risk Response System]

Category	Site
Company-wide Crisis Management Framework	Establishment and operation of an company-wide control framework to effectively respond to business threats and potential risks.
Tailored Risk Management Appproach	Application of various management approaches, including Crisis Management (CM), Business Continuity Management (BCM), and Risk Management (RM), based on the nature and root causes of risks.

Business Continuity Management System (BCMS)

LG Energy Solution implements strategies and plans based on the Business Continuity Management System (BCMS) to consistently maintain the quality of all products and services and supply products to customers in a timely manner, even in situations where actual quality risks occur. In addition, to verify and supplement the continuity, systematicity, and effectiveness of the system, LG Energy Solution have acquired and renewed the ISO 22301 (Business Continuity Management System) certification, and perform thorough inspections of all manufacturing subsidiaries using its own evaluation criteria based on this standard.

Quality Risk Communication Channels

LG Energy Solution conducts regular customer satisfaction surveys to objectively assess its current quality performance and proactively identify customer needs and concerns, which are reflected in continuous quality improvement activities.

- **Gathering Customer Feedback and System Integration**
  Customer feedback collected through regular and ad hoc meetings, emails, and other communication channels is managed through internal systems, including the Quality Management System (QMS) and Customer Pain Point Management (CPPM). The Company works closely with relevant functions to implement improvement actions based on the feedback received.

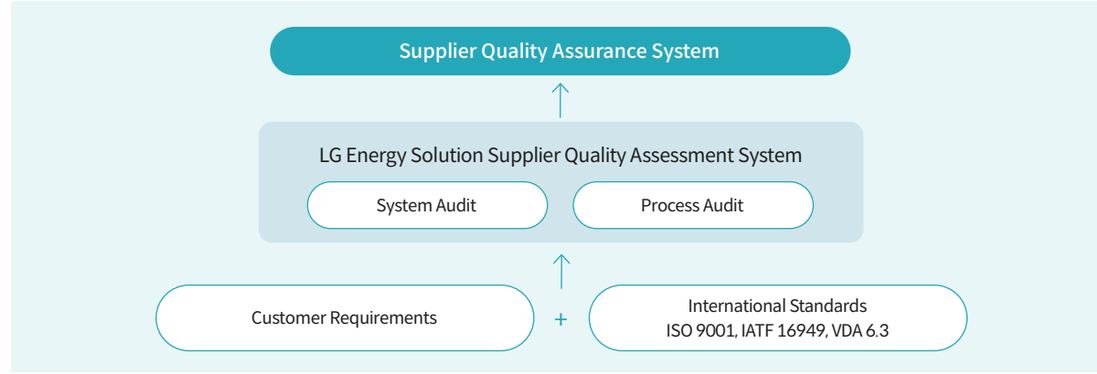
- **Conducting Customer Satisfaction Surveys**
  LG Energy Solution conducts regular customer satisfaction surveys to evaluate quality performance, proactively identify customer expectations and concerns, and further strengthen customer-centric quality management.

Supply Chain Quality Management

LG Energy Solution focuses on supply chain quality management for continuous and stable quality control, and has established a systematic management process to strengthen the quality capabilities of suppliers. The Company manages quality levels in real time and strives for prevention through the 'Supplier Quality Management System' that monitors quality-related data of suppliers.

Establishment of a Supplier Quality Assurance System

LG Energy Solution has established a systematic supplier quality assurance system and conducts both regular and ad hoc assessments of all suppliers. Based on customer requirements and international standards, the Company evaluates suppliers' quality management systems and management processes to ensure that the quality of LG Energy Solution's products consistently meets customer expectations. Through these ongoing assessments, the Company continuously enhances suppliers' quality assurance capabilities while further strengthening the overall quality management framework.

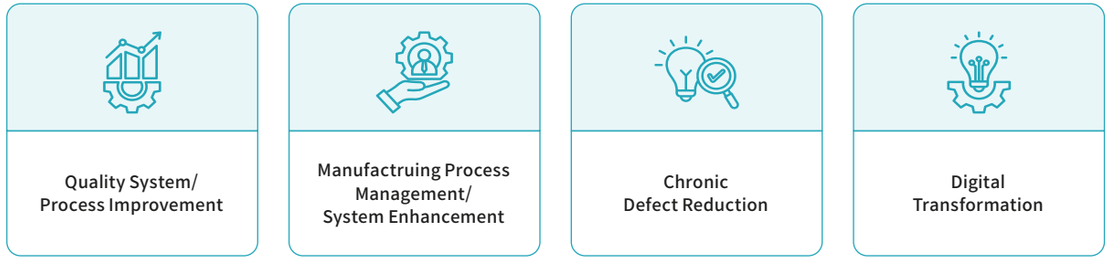


Supplier Quality Assessment Certification and Management System

LG Energy Solution conducts quarterly quality level evaluations for major Tier-1 suppliers to standardize and elevate their quality management capabilities, and operates incentive and penalty systems based on the evaluation results. The Company comprehensively assesses each supplier's quality system, performance, and preventive quality control level to calculate an annual cumulative score (Q-Score). Based on this assessment, the Company assigns an annual SQ (Supplier Quality) Rank across five grades (S, A, B, C, and D) and issues certificates through the supplier QMS (Quality Management System).
In addition, LG Energy Solution strictly manages the quality level of its overall supply chain by applying tailored support and management systems according to the evaluation grades.

[Supplier Quality Management System]

- **Rank Up Program**
  Targeted support is provided to suupliers rated C or D that require improvements in quality capabilities, with a focus on enhancing development and mass production systems and processes.



- **SNBH (Supplier New Biz. Hold) System**
  Suppliers that receive the lowest rating (Grade D) for two consecutive years are remived from the supplier pool and restricted from participating in new business opportunities.

Product Information and Labeling

Battery Passport Readiness Framework

LG Energy Solution is continuously enhancing its internal governance framework and systems to ensure compliance with the key requirements of the EU Battery Regulation. To support the implementation of the Battery Passport, the Company is establishing an integrated data management framework that enables seamless connectivity between Battery Passport data requirements and internal systems, while facilitating efficient data exchange with regulatory authorities and customers. In addition, the Company has established and operates an internal system to support the efficient calculation of Product Carbon Footprints (PCFs) and the management of related data.
Furthermore, with respect to supply chain due diligence requirements, the Company has established a company-wide process to manage and address regulatory requirements not only under the EU Battery Regulation, but also under other global regulations, including the EU Corporate Sustainability Due Diligence Directive (CSDDD) and the U.S. Uyghur Forced Labor Prevention Act (UFLPA). Through gap analyses comparing regulatory requirements with current practices, the Company identifies key improvement areas and develops and implements corresponding action plans and roadmaps.
Going forward, LG Energy Solution will continue to monitor evolving regulatory developments and further strengthen its ability to respond flexibly to diverse global platforms and regulatory frameworks through enhanced data standardization and continuous system advancement..

Battery Passport

As part of its efforts to achieve the objectives of the European Green Deal and carbon neutrality by 2050, the European Union (EU) is promoting the transition to a circular economy and the decarbonization of industries. As part of this initiative, the EU enacted the EU Battery Regulation (Regulation (EU) 2023/1542), which governs the environmental and social impacts of batteries throughout their entire life cycle.

Under the regulation, the Battery Passport will become mandatory from from February 18, 2027 for electric vehicle (EV) batteries, industrial batteries with a capacity exceeding 2 kWh, and batteries used in Light Means of Transport (LMT). The Battery Passport is a digital record management system that provides access to battery life-cycle information through a QR code. It includes key battery-related information, such as carbon footprint data, recycled material content, material composition, performance information, and supply chain transparency data.

Access to Battery Passport information is categorized into three levels—public, stakeholders, and regulatory authorities—based on access rights. As a precursor to the Digital Product Passport (DPP), which is expected to be expanded across industries in the future, the Battery Passport is becoming increasingly important in promoting transparency, traceability, and sustainability throughout product value chains.

Occupational Health and Safety

LG Energy Solution places the health and safety of all workers, including employees and suppliers, as its highest management priority. LG Energy Solution remains committed to creating safe and healthy workplaces while making every effort to protect local communities.

Occupational Health and Safety Management System

Occupational Health and Safety Governance

LG Energy Solution appointed its Chief Production Officer (CPO) as the executive responsible for occupational health and safety, with Board approval, and has entrusted the role with overall oversight of company-wide health and safety management. Under the CPO, the Company operates a dedicated organization led by the Safety & Environment Officer (SEO) to oversee occupational health and safety obligations and serve as the central coordinating body for company-wide health and safety management.



The Company-wide Environment, Safety and Health Council serves as a key decision-making body composed of the Executive Responsible for Occupational Health and Safety and members of management. The Council meets regularly to discuss key issues, review major performance results, and establish future plans, while strengthening accountability and setting the direction for global occupational health and safety policies. At each site, Occupational Safety and Health Committees consisting of equal numbers of labor and management representatives review and approve key occupational health and safety matters.

The Company also operates dedicated OHS organizations, appoints supervisors and safety personnel, and conducts systematic health management and risk prevention activities. In addition, Safety & Health Councils involving suppliers and contractors conduct regular joint inspections to identify and address workplace hazards and promote a safe working environment. The Company also holds global workshops to share best practices and discuss improvement measures in environment, safety, and health management.

Global Occupational Health and Safety Policy and Strategy

Under the vision and goals of "Integrating Business Activities with Health and Safety" and "Strengthening Health and Safety Competitiveness and Execution," LG Energy Solution has established and publicly disclosed a global health and safety policy approved by the Executive Responsible for Occpational Health and Safety.
LG Energy Solution strictly complies with health and safety regulations and relevant laws applicable to its global sites. Furthermore, to establish a health and safety system in line with international standards and global requirements, the Company operates dedicated organizations and undertakes the following key initiatives:

- **Establishment of a Global Occupational Health and Safety Management System**
  Establishment of a management system aligned with global standards, including international standards such as IEC (International Electrotechnical Commission), ISO (International Organization for Standardization), CE (Conformité Européenne), UL (Underwriters Laboratories), and NRTL (Nationally Recognized Testing Laboratory), as well as RAGAGEP (Recognized and Generally Accepted Good Engineering Practices).
- **Proactive Prevention and Infrastructure Enhancement**
  Proactively identify hazards and risk factors and implement elimination, substitution, and control measures to prevent workplace injuries and illnesses among all workers, while continuously enhancing occupational health and safety infrastructure.
- **Comprehensive Safety Management**
  Promote comprehensive occupational health and safety management of facilities, raw materials, and products to prevent accidents and injuries affecting employees, on-site suppliers, visitors, local communities, and the general public.

LG Energy Solution actively implements its occupational health and safety management practices and transparently discloses related performance and achievements to all stakeholders.

Occupational Health and Safety Management

To ensure systematic health and safety management, LG Energy Solution establishes an annual budget and invests in overall occupational health and safety activities. The main budget execution items are as follows.

- **Safety inspections and assessments of equipment and facilities**
- **Occupational health and safety education and training, as well as workplace environment improvements**
- **Provision of safety equipment and personal protective equipment (PPE), and support for regular health examinations**
- **Recognition programs for occupational health and safety best practices and company-wide safety campaigns**

In addition, the Company operates an occupational health and safety management system aligned with global standards. LG Energy Solution obtained integrated ISO 45001 certification for all domestic operations in 2023 and maintained the certification through external surveillance audits in 2024. To demonstrate its commitment to Environment, Health and Safety (EHS) management and provide a consistent policy direction, the Company revised its EHS Policy and established operational standards, EHS regulations, and internal guidelines, which are applied across its operations. The Company also promotes leadership-driven field management and site-specific safety initiatives to prevent workplace accidents. In addition, environmental and safety incidents are reflected in employee performance evaluations according to their severity, reinforcing EHS awareness and strengthening execution across the organization.

1 EH&S Policy
Publicly communicates the Company's commitment to Environment, Health and Safety (EHS) management to internal and external stakeholders and provides a consistent policy direction to establish an optimized foundation for EHS management.

2 EHS Regulations
Defines the fundamental principles and operational standards for EHS management and enables integrated company-wide management.

3 EHS Guidelines
Provides standardized methods and detailed procedures for implementing the requirements and operational standards set forth in the EHS Regulations.

4 EHS Internal Standards
Establishes site-specific EHS operational standards that reflect the unique characteristics of individual operations, including corporate headquarters, manufacturing sites, and R&D centers.

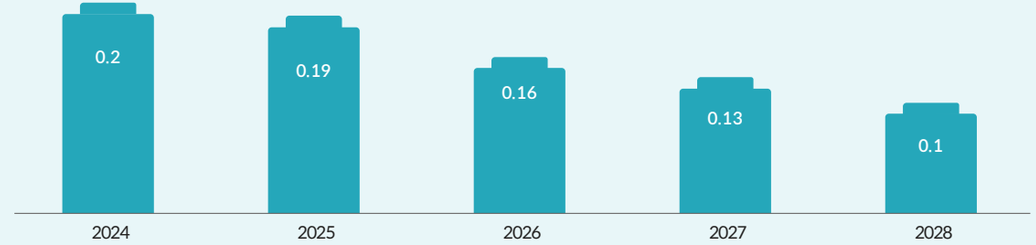
[ISO 45001-Certified Sites]

Country	Site
Korea	Headquarters
	Ochang Energy Plant 1
	Ochang Energy Plant 2
	R&D Campus Daejeon (Daejeon)
	R&D Campus Gwacheon
	R&D Campus Magok
China	LG Energy Solution (Nanjing) Co., Ltd.
	LG Energy Solution Battery (Nanjing) Co., Ltd.
	LG Energy Solution Technology (Nanjing) Co., Ltd.
Poland	LG Energy Solution Wroclaw sp. z o.o.
United States	LG Energy Solution Michigan Inc.

Mid- to Long-Term Occupational Health and Safety Targets

LG Energy Solution has established mid- to long-term quantitative occupational health and safety targets to achieve zero major incidents and foster a prevention-oriented safety and health culture. Building on its 2024 Lost Time Injury Frequency Rate (LTIFR) of 0.2, the Company has set a target to reduce the rate by 50% to 0.1 by 2028. In addition, the Company has identified key initiatives across 13 areas to strengthen its major incident prevention framework and will continue to enhance fundamental safety measures to address potential risk factors.

[Mid- to Long-Term LTIFR Targets]



*LTIFR = (Number of Lost Time Injuries ÷ Total Hours Worked) × 1,000,000

To achieve its new mid- to long-term occupational health and safety goals, LG Energy Solution has established global occupational health and safety technical standards and is advancing the development and company-wide deployment of related management systems. To create a safer working environment, the Company is undertaking the following initiatives:

- **Enhancement of Safety Management Systems**
  Development of equipment safety specifications by risk factor, advancement of pre-implementation review and approval systems, and proactive EHS assessments and inspections.
- **Stabilization of Global New Sites**
  Establishment of robust safety management systems across global sites through support for safety permitting and construction safety management at newly established and expanded overseas sites.
- **Occupational Health and Safety Infrastructure and Budget Management**
  Enhancement of EHS infrastructure through smart factory implementation, allocation of occupational health and safety budgets for compliance, infrastructure improvements, and employee well-being, as well as regular monitoring to strengthen execution.

Operations and Risk Management

Site Risk Assessment

LG Energy Solution conducts risk assessments on all processes, facilities, chemical substances, and operations to identify potential hazards within its sites early and prevent accidents. Identified hazards and risk factors are evaluated to determine risk ratings by estimating the frequency and severity of potential losses, based on which effective corrective measures and recurrence prevention plans are established. In particular, high-risk items are registered on the 'Risk Reduction Measures List' for special management. These targets for improvement are reflected in its 'Occupational Health and Safety Objectives and Detailed Targets' to drive continuous improvement, and preventive and corrective measures for major leakages, accidents, and explosions are immediately linked to emergency response scenarios. In addition, key findings from the assessments are integrated into training materials, risk prediction training, and safe work procedures to support workers in clearly recognizing the risk factors of their respective processes. Furthermore, the status of all risk assessments and corrective actions is systematically managed through the EHS (Environment, Health and Safety) system, and the effectiveness of improvements is continuously reviewed by quantitatively measuring risk levels before and after the actions.

[2025 Site Risk Assessment Results]

Site	Regular* Risk Assessment (Departments)		Ad hoc* Risk Assessment (Departments)		Corrective Actions (Cases)			
	Target	Completed	Target	Completed	Planned	Completed	In Progress*	Delayed
Ochang Energy Plant 1	225	225	25	15	2	0	2	0
Ochang Energy Plant 2	82	82	10	13	8	8	0	0
R&D Campus Daejeon	243	243	26	38	11	11	0	0
R&D Campus Gwacheon	92	92	4	9	0	0	0	0
R&D Campus Magok	10	10	3	3	6	3	3	0
LGESNJ (China)	55	55	68	67	0	0	0	0
LGESNA (China)	20	20	33	19	25	24	1	0
LGESNB (China)	24	24	31	18	0	0	0	0
LGESWA (Poland)	14	14	35	11	34	30	4	0

* (Regular): Conducted once a year, (Ad hoc): Conducted in the event of accidents or changes (facilities, work methods, substances, etc.), (In Progress): Currently undergoing improvement

Workplace Safety Measures

LG Energy Solution operates a systematic safety management framework to ensure the health and safety of workers.

- **Work Permit System :** Prior to the commencement of work, the Company identifies potential hazards and risk factors that could lead to major incidents and thoroughly verifies that appropriate safety measures have been implemented.
- **Safety Watcher :** Once work begins, continuous on-site inspections are conducted through the Safety Police program to identify and address potential hazards and risk factors that may arise during operations.
- **Stop-Work Authority :** The Company guarantees the right to stop work immediately for both employees and supplier personnel. When hazards or risk factors are identified during operations, work may be suspended immediately and resumed only after appropriate safety measures have been implemented.

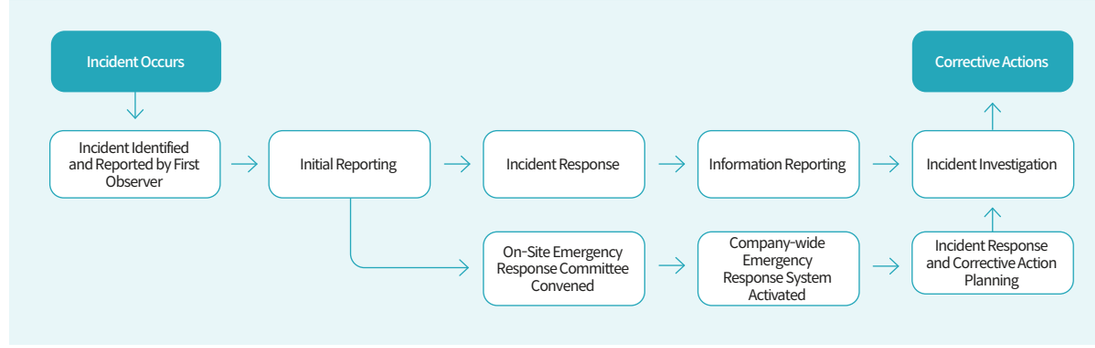
Occupational Health and Safety Incident Reporting Process

Due to the nature of battery manufacturing processes, there are risks of major incidents, including injuries caused by equipment, such as caught-in and cut injuries, as well as fires, explosions, and toxic exposure resulting from electrolyte and other chemical spills or leaks. To address these risks, LG Energy Solution has established an emergency communication system based on its company-wide crisis management regulations and conducts emergency response drills at all domestic and overseas sites at least once a year. The Company has also established and operates an incident classification and reporting system covering a wide range of EHS incidents, including injuries, fires and explosions, chemical spills and leaks, infectious diseases, occupational illnesses, and regulatory violations.

In the event of an incident, company-wide and site-level emergency response committees are activated according to the severity of the incident. Response measures, root causes, and corrective actions are managed through an IT-based reporting system and rapidly communicated through mobile notification functions.

In addition, the Company continuously strengthens its emergency response capabilities through company-wide emergency drills based on realistic incident scenarios. In 2024, LG Energy Solution conducted an EHS emergency response drill at its domestic operations under the supervision of headquarters, simulating a fire, injuries, and production disruption. Based on a realistic scenario, the exercise included the activation of emergency response committees and department-level incident management practices to further enhance the Company's crisis response capabilities.

[Occupational Health and Safety Incident Reporting Process]



Company-Wide EHS Smart Factory Implementation

LG Energy Solution has established Environment, Health and Safety (EHS) smart factories across all sites to create a safe and healthy working environment. The Company remotely monitors key risk indicators in real time, including abnormal temperature and pressure conditions and hazardous chemical leaks, enabling the early detection of abnormal situations and prompt response. In addition, automated process control systems help prevent deviations from normal operating ranges and minimize the spread of incidents, further strengthening the Company's preventive safety management capabilities.

Enhancing Safety Capabilities and Awareness

Strengthening Safety Mindsets

The core of occupational health and safety management is the strong safety awareness of employees. Accordingly, LG Energy Solution provides personal protective equipment to employees and raises safety awareness by conducting activities to discover 'near-miss incidents' and improve risk factors. In addition, accident case reports and audiovisual materials are actively utilized for risk prediction training before work. Furthermore, non-conformance risks discovered through various safety diagnoses and inspections are registered in the in-house environmental health and safety management system for tracking and management.

- **Regular Safety Inspections** (Annually)
- **Special Safety Inspections and Incident Investigations** (As Needed)
- **Compliance Reviews of the Serious Accidents Punishment Act** (Korea, Semi-Annually)
- **Site-specific Self-Inspections**

Each site also conducts various participatory activities so that members can actively internalize the occupational health and safety culture. At R&D Campus Daejeon, the 'Environmental Health and Safety Festival' was held to operate various programs such as environmental safety quizzes, VR experiences, waste and chemical handling experiences, safety protective equipment experiences, and CPR training. In addition, the Ochang Energy Plant designated the 'Joint Labor-Management Safety Accident Prevention Day' and conducted a joint labor-management safety accident prevention campaign, including distributing promotional materials and daily convenience goods.



EHS Quiz


CPR Training and Practice



Labor-Management Joint Safety Day

Safety Training and Best Practice Sharing Sessions

LG Energy Solution enhances employees' safety awareness by providing site-specific procedures for chemical and machinery safety management, as well as experiential training programs beyond mandatory safety education. Each site operates a Safety Training Center to strengthen risk awareness and engagement through hands-on training, including PPE safety, equipment safety for caught-in/between accident prevention, virtual reality (VR) safety training, and emergency response and first aid.

In addition, the Company provides compliance-based safety and health training to strengthen employee competencies. In 2025, beyond legally required training, additional programs were offered for employees with shorter tenure and equipment setup contractors, including LOTO (Lock Out Tag Out), MSDS (Material Safety Data Sheet), and TP special training.
The Company also holds annual performance-sharing conferences to share EHS improvement cases, recognize best practices, and facilitate their implementation across sites. EHS personnel from overseas operations participate in these events to exchange knowledge and enhance professional capabilities.

[EHS Training Programs for Employees]

Role- and Position-based Training	Training for All Sites and Employees	Training for New Hires and Employees with Job Changes	Training for Special Operations Personnel	Supplier Employee Training
Introductory, fundamental, and advanced training programs	EHS mindset enhancement programs for employees	Occupational health and safety guidance before assignment to operational duties	Specialized training for workers engaged in high-risk tasks	Training to strengthen supplier safety management

Employee Occupational Health and Safety

Creating a Safe and Healthy Working Environment

LG Energy Solution operates a systematic occupational health and safety management system to prevent workplace accidents and protect employee health by creating a safe and healthy working environment.

- **Establishment and Operation of Standardized Occupational Health and Safety Systems**
  The Company has established and strictly complies with two occupational health and safety management guidelines and 20 internal regulations related to safety and industrial hygiene in accordance with the Occupational Safety and Health Act. Global operations also comply with local regulations while applying the Company's occupational health and safety regulations and guidelines as common global standards.

- **Employee Communication Channels and Policy Integration**
  LG Energy Solution operates various communication channels, including Occupational Safety and Health Committees, Safety & Health Council, internal bulletin boards, and N-Talk. Feedback and improvement suggestions gathered through these channels are actively reflected in the development and operation of occupational health and safety policies.

- **Employee Health Promotion and Accident Prevention**
  The Company protects employee health through the early detection and prevention of general and occupational illnesses while proactively preventing human and financial losses resulting from workplace accidents.

Employee Health Promotion and Workplace Environment Enhancement

LG Energy Solution provides systematic healthcare services and a safe working environment to promote the health and well-being of employees, suppliers, and visitors.

- **Professional Healthcare Services and Mental Health Support**
  The Company operates on-site medical clinics that provide professional healthcare services to employees, resident suppliers, and visitors. In addition, the Maum Green Counseling Center offers psychological counseling services to support both physical and mental well-being.

- **Workplace Monitoring and Hazard Management**
  Through regular ergonomic risk assessments and workplace environment monitoring, the Company proactively identifies and manages health risk factors, including physically demanding work conditions and hazardous substances.

- **Transparent Communication of Assessment Results**
  Results of workplace environment assessments and hazard investigations are transparently shared with employees through various channels, including Occupational Safety and Health Committee reports, internal bulletin boards, and informational materials.

Employee Health Promotion and Preventive Care Activities

Implementation of Smart Automated External Defibrillators (AEDs)

To protect lives and create a safer workplace, LG Energy Solution has deployed and centrally manages Smart Automated External Defibrillators (AEDs) across all domestic sites. Through the Smart AED system, the Company monitors device operation status, location, battery condition, cabinet access, and device removal in real time. The system also performs automated inspections and maintenance tracking, while SOS alerts linked to emergency response centers enable rapid response in emergency situations. LG Energy Solution will continue to expand its emergency safety infrastructure.

Health Promotion Programs

LG Energy Solution operates systematic health promotion programs to enhance employee well-being and foster a safe working environment. To strengthen emergency response capabilities, the Company regularly provides first aid and cardiopulmonary resuscitation (CPR) training, combining practical exercises with hands-on learning to enable effective response in real-life emergencies.

- **Basic and Advanced First Aid Training**
  First aid training is offered through both basic and advanced programs, covering initial response measures for various emergency situations, including bleeding, fractures, and burns. The programs combine theoretical learning with practical exercises to enhance participants' understanding and proficiency.
- **CPR Training and AED Practice**
  The Company provides CPR training and hands-on AED practice to strengthen employees' ability to respond to cardiac arrest and other medical emergencies. These programs help employees take prompt and appropriate action during emergency situations. Through these health promotion programs, LG Energy Solution enhances employee safety awareness and strengthens emergency response capabilities across the organization, contributing to a safer and more sustainable working environment.



CPR Training and Practice



First Aid Training and Practice

Operation of On-site Medical Clinics and Health Management Programs

LG Energy Solution operates a systematic healthcare support system to promote employee health and prevent illness. The Company operates on-site medical clinics at its headquarters, Ochang Energy Plant 1, and Daejeon R&D Campus in South Korea, providing high-quality healthcare services, including medical consultations, prescriptions, and personalized health counseling. In particular, to prevent occupational illnesses at sites handling hazardous chemicals and proactively protect employee health, LG Energy Solution offers the following specialized health screening and management programs.

01. Health Screenings and Follow-up Management

- Conduct comprehensive health examinations and general examinations for employees
- For sites handling hazardous chemicals, conduct special examinations and cancer screenings, and perform pre- and post-placement examinations when hiring new employees or transferring departments
- Provide 1:1 consultation with specialists for those with findings such as hypertension, diabetes, dyslipidemia, liver Disease, etc.

02. Targeted Health Management for High-Risk Health Groups

- Select high-risk groups requiring intensive management, such as Cancer, Cardiovascular Disease Patients, based on health examination results, and provide 1:1 specialist consultations
- Provide rapid emergency treatment and evacuation support in the event of emergency patients

03. Operation of Health Promotion Facilities

- Operate on-site clinics (Headquarters, Ochang Energy Plant 1, R&D Campus Daejeon (Daejeon)) and on-site health management rooms (Ochang Energy Plant, R&D Campus Daejeon, R&D Campus Seocho, R&D Campus Gwacheon, R&D Campus Magok)
- Operate the internal psychological counseling room 'Green Mind Counseling Room'

04. Health Management Support for Overseas Expatriates

- Provide telemedicine services linked with domestic general hospitals for employees working in overseas regions
- Conduct pre-dispatch health assessments for expatriate candidates and periodically monitor the health status of those with finding

Supplier Occupational Health and Safety

Strengthening Supplier Occupational Health and Safety Based on Global Standards

As the number of new projects in North America increased, LG Energy Solution comprehensively revamped its suppliers' occupational health and safety management system to reflect global safety standards. The revised safety management system has been integrated across its North American sites, while the Company continues to strengthen management capabilities and occupational health and safety management systems aimed at preventing serious incidents throughout the supply chain.

- **Enhanced Safety Expertise and Standards**
  The Company has established requirements for deploying personnel with relevant professional expertise based on global safety standards, including those of the U.S. Occupational Safety and Health Administration (OSHA), and has implemented standards for assigning dedicated safety managers according to site workforce size.
- **Establishment of Site-Focused Governance**
  Through weekly joint inspections and safety council meetings, LG Energy Solution has established a site-focused safety management framework.
- **Strict Penalty System**
  The Company enforces a strict penalty system for safety violations, including immediate removal from sites and requiring supplier CEOs to lead the development of recurrence prevention measures, thereby fostering a strong culture of safety compliance across sites.

Supplier Occupational Health and Safety Enhancement Framework

LG Energy Solution is committed to enhancing the occupational health and safety performance of its suppliers through a range of structured initiatives. To this end, the Company systematically implements the following communication and management activities:

- **Safety & Health Council :** Regular council meetings are held on a monthly basis to share workplace incident cases and the results of risk assessments.
- **Joint and Routine Inspections :** Joint inspections with suppliers are conducted bimonthly, while routine site inspections are carried out every other day to proactively identify and manage workplace hazards.
- **Collection of Worker Feedback and Workplace Improvements :** The Company collects feedback from supplier employees through the smartphone application SANDI and implements corrective actions based on the issues and suggestions received.

Supplier Safety Training and Assessment

LG Energy Solution conducts various support and assessment activities to foster a strong safety culture and advance the occupational health and safety management systems of its suppliers.

- **Tailored Safety Training for Suppliers**
  The Company provided construction safety training, including risk assessment training, to 9,115 supplier employees working at domestic project sites. Regular refresher training is also conducted to strengthen on-site safety awareness. In addition, specialized safety training is provided for high-risk suppliers with recurring safety issues or multiple non-conformities.
- **Qualified Supplier Assessments and Follow-up Management**
  LG Energy Solution conducts semi-annual qualified supplier assessments for 365 contractors, service providers, and outsourced suppliers (140 general contractors and 225 construction and equipment contractors). Key evaluation areas include occupational health and safety management, operational suitability, worker feedback, and on-site safety management. The Company continuously monitors follow-up actions and implementation status based on assessment results to enhance suppliers' occupational health and safety capabilities.

Occupational Health and Safety Mutual Growth Program

In 2025, LG Energy Solution participated in the Occupational Health and Safety Mutual Growth Program for Large and Small Enterprises, organized by the Ministry of Employment and Labor. Through this government-led initiative, the Company carried out various activities to enhance the occupational health and safety capabilities of its suppliers. The program aims to prevent industrial accidents, support the establishment of self-directed occupational health and safety management systems, and promote shared growth between large enterprises and SMEs.

[Key Activities and Achievements in 2025]

Category	Activities and Achievements
Support for Enhancing Supplier Health and Safety Performance	• Conducted health and safety training for win-win cooperation partners • Supported risk factor surveys for musculoskeletal disease-burdened work • Provided health and safety activity supplies • Supported emergency evacuation drills and shared know-how through joint emergency evacuation drills • Supported risk assessment certification reviews • Created a pleasant working environment by supporting work environment measurements (twice a year)
Operation of the Occupational Health and Safety Mutual Growth Council	Conducted a total of 5 times in 2025 (March, April, May, July, and October)
Financial Support for Mutual Growth Activities	Approx. KRW 510,000 (Amount spent based on the single site of LG Energy Solution Daejeon R&D Campus)

Human Rights

LG Energy Solution respects the human rights of its employees and all stakeholders, and strives to fulfill its responsibility to respect human rights across all business activities.

Human Rights Governance

Based on the management philosophy of "Realizing Management Based on Human Dignity," LG Energy Solution practices the guarantee of and respect for dignity, freedom, and the right to happiness as fundamental values. To effectively identify and manage risks and opportunities related to human rights, the Company has established and organically operates a management system among the ESG Committee under the Board of Directors, executive management, and working-level departments.

Board of Directors and ESG Committee

The Board of Directors and the ESG Committee under the Board perform the roles of risk management and oversight related to human rights management. They monitor the adequacy of the human rights risk management system, strategies, processes, and programs, and deliberate and resolve on major agenda items, including providing consultation on related matters.

Management and Functional Departments

Management and functional departments are responsible for executing this policy. They establish strategies and processes related to human rights management, operate management programs, and perform tasks such as setting related indicators and targets and monitoring target implementation.



[Roles and Responsibilities of Key Functional Departments]

Key Functional Department	Roles and Responsibilities
ESG Team	• Establish mid- to long-term targets for overall sustainability management, including human rights, and monitor implementation • Build global partnerships through participation in initiatives (UNGC, GBA, RBA, FCA, etc.) • Operate the ESG Committee and ESG Working Council • Manage ESG risks across all domestic and global sites (regular RBA VAP audits) • Establish and operate the Human Rights Due Diligence Process • Communicate with human rights stakeholders (customers, investors, NGOs, etc.) • Monitor key global regulations • Conduct regular ESG assessments and third-party audits for Tier-1 suppliers
Supply Chain ESG Management Team	• Establish and implement supply chain management policies • Set supply chain sustainability targets and indicators, execute, and monitor target implementation • Oversee capability-building activities and shared growth initiatives for procurement managers and suppliers
HR Planning Team	• Plan and operate the HR system for employees • Manage and operate employee HR regulations and the Human Capital Management committee
Employee Relations Team	• Plan and manage labor relations • Monitor and analyze domestic and global labor relations trends
Business Ethics Office	• Operate the Sexual Harassment/Bullying Prevention Center • Provide Jeong-Do Management training and promotion for employees • Investigate and take follow-up actions on reports received through the LG Ethics Hotline
Compliance Office	• Operate the compliance management system and manage compliance control activities
Organizations under the SEO	• Establish occupational health, safety, and environmental standards within sites and support execution by operational departments

Human Rights Policies and Principles

LG Energy Solution respects internationally recognized human rights and labor standards, including the Universal Declaration of Human Rights (UDHR), the UN Global Compact Principles, the UN Guiding Principles on Business and Human Rights (UNGPs), and the ILO Core Conventions. The Company complies with applicable laws and regulations in the countries and regions where it operates. In cases where local laws conflict with international standards, decisions are made with consideration given to the more stringent requirements.

Recognizing that human rights are interconnected with various aspects of business, LG Energy Solution incorporates relevant policies and documents into its Human Rights Management Policy Framework and implements human rights management from multiple perspectives to protect the rights of employees, supplier workers, and other value chain stakeholders.

The LG Energy Solution Global Human Rights and Labour Policy serves as the Company's primary human rights policy, outlining its commitment to human rights management and its responsibilities regarding human rights principles and due diligence. Following its spin-off from LG Chem in December 2020, the Company has continuously updated the policy to reflect evolving global standards, including revisions to the RBA Code of Conduct.

In June 2024, LG Energy Solution comprehensively revised its Human Rights Principles and applied them across all sites, reinforcing the roles and responsibilities of the CEO and management through CEO approval. The revised policy also introduced detailed provisions on grievance mechanisms, human rights due diligence, and stakeholder engagement, reaffirming the Company's commitment to identifying, preventing, and remedying adverse human rights impacts throughout its operations.

Furthermore, the Company upholds respect for human dignity as a fundamental business value and expects all value chain partners—including employees, customers, suppliers, service providers, contractors, key business partners, and local communities—to prevent adverse human rights impacts. The policy is regularly reviewed and updated to reflect changes in industry practices and regulations, incorporating feedback from internal stakeholders and external experts. The latest version is available through the Company's internal portal and official website.

Human Rights Policy Framework

- LG's Code of Ethics
- LG Energy Solution Global Human Rights and Labor Policy
- LG Energy Solution Global Environmental Health and Safety Policy
- Guidelines on the Expertise and Diversity of the Board of Directors
- LG Energy Solution Anti-bribery policies and Anti-bribery guidelines
- Code of Conduct for Suppliers
- Responsible Sourcing Policy
- Diversity, Equity, Inclusion (DEI) Policy
- LG Energy Solution Global Environmental Policy
- LG Ethics Hotline Whistleblower Protection Standards

[Global Human Rights and Labor Policy]

Principle	Details
Prohibition of Forced Labor	Prohibit all forms of forced labor, including coercion, threats, confinement, human trafficking, and slavery.
Prohibition of Child Labor	Comply with minimum employment age requirements and prohibit child labor. Young workers are not assigned hazardous tasks, including night work and overtime.
Prohibition of Discrimination and Harassment	Prohibit discrimination, harassment, and retaliation, and provide equal opportunities in employment, promotion, compensation, and training.
Compliance with Working Conditions	Comply with applicable laws regarding wages, working hours, holidays, and leave, and provide lawful overtime compensation where required.
Freedom of Association and Rights to Collective Bargaining	Recognize the freedom of association and the right to collective bargaining guaranteed by national and regional laws, foster an environment where employees can communicate without fear of intimidation or retaliation, and prohibit unfair treatment related to labor union formation, membership, or activities.
Health and Safety Assurance	Provide a safe and hygienic working environment for all workers, including employees and suppliers. Conduct regular health checkups, consider workers' health conditions and physical capabilities when assigning tasks, proactively prevent health and safety risks through preventive health management, and actively manage facilities, raw materials, and products to prevent harm to local communities and the public.
Personal Information Protection	Protect stakeholders from human rights risks arising from the misuse, infringement, or unauthorized disclosure of personal information by monitoring personal data protection and compliance-related issues.
Human Rights Impact Management in Supply Chains	Through the Responsible Sourcing Policy and the Code of Conduct for Suppliers, establish fundamental principles for supply chain management and systematically manage human rights impacts throughout the supply chain.
Protection of Local Community and Indigenous Rights	Strive to ensure that stakeholders, including members of the public, can enjoy a better environment, and respect the rights and cultures of local communities and Indigenous Peoples by fostering conditions that enable Free, Prior and Informed Consent (FPIC).

Human Rights Due Diligence

As a member of the UNGC (United Nations Global Compact), LG Energy Solution participated in the "Business and Human Rights Accelerator" program conducted in 2024 with "SHIFT," an international human rights organization, to establish a Human Rights Due Diligence Process applying the methodology of the UNGP (UN Guiding Principles on Business and Human Rights). The Human Rights Due Diligence Process is a process to identify, prevent, and mitigate negative human rights impacts on all stakeholders within the value chain in business activities, and to establish countermeasures for them.

LG Energy Solution strives to identify all actual and potential negative human rights impacts arising from its business activities. To this end, the Company identifies not only direct business areas such as manufacturing and sales sites, but also all stakeholders within the value chain, including in-house subcontractors, suppliers, and vulnerable groups in local communities (indigenous peoples, migrant workers) affected by its operations, as being within the scope of LG Energy Solution's human rights impact. In addition, the Company includes production operations, business facilities, products and services, distribution and logistics, suppliers, service providers, contractors, and key partners in its policy and due diligence scope to check for significant human rights-related risks when reviewing major business decisions, as well as starting in a new business relations.

[Human Rights Due Diligence Process]

1. Define Human Rights Impact Scope and Identify Risks	The Company identifies stakeholder groups that may be affected by its business activities and utilizes appropriate risk identification tools based on the characteristics of each group, including the RBA Validated Assessment Program (VAP), grievance mechanisms, surveys, interviews, and human rights impact assessment reports.
2.Prioritize Risks	Identified human rights risks are prioritized based on criteria such as severity and likelihood of occurrence.
3. Prevent, Mitigate, and Remediate Risks	Based on the identified human rights risks and their priority levels, the Company establishes prevention, mitigation, and remediation measures, along with implementation plans and targets. Responsible individuals with the authority to address the identified risks are designated to develop and execute action plans.
4. Monitor Implementation and Integrate Outcomes	The Company continuously monitors whether follow-up actions are effectively implemented to achieve established targets and evaluates the appropriateness of remediation measures by tracking stakeholder feedback. The outcomes are incorporated into the due diligence process and prevention/mitigation action plans to continuously enhance the effectiveness of the human rights due diligence process.

Human Rights Impact Assessment

Guided by its management philosophy of "Creating Value for Customers" and "Respect for Human Dignity," LG Energy Solution established a human rights due diligence process based on the UN Guiding Principles on Business and Human Rights (UNGPs) and conducted a pilot human rights impact assessment in 2024 to evaluate the effectiveness of the process and the overall management framework. The Company defined the nine principles outlined in its Human Rights Policy as key management areas and identified priority issues requiring enhanced attention. In addition, LG Energy Solution developed a Human Rights Principles Checklist* to assess internal and external conditions related to each principle and evaluate their potential impacts on the Company, helping identify areas for improvement.

Going forward, LG Energy Solution will continue to enhance its human rights impact assessment methodology, monitor and map potential risks across all management areas, and focus on managing individual human rights risks in priority areas.

*Human Rights Principles Checklist: A 90-item checklist developed based on global standards, including the UNGC Business and Human Rights Guidance and the Ministry of Justice's Human Rights Guidebook, to assess policies, governance, management systems, and activities related to each human rights principle. The checklist covers all nine principles set out in LG Energy Solution's Human Rights Policy, including the prohibition of forced labor (including human trafficking), prohibition of child labor, freedom of association, equal pay, and non-discrimination.

In addition to the checklist assessment, the Company conducted a human rights impact assessment using various data sources to evaluate the severity and likelihood of human rights issues associated with each principle.

Primary Data	**Data collected directly from the field** - Site RBA assessment results, supplier ESG risk assessment results, compliance risk assessment results, grievance reports, etc.
Secondary Data	**Data collected indirectly** - Media exposure, NGO and academic reports, etc.

The assessment identified three priority areas requiring enhanced risk management: the prohibition of forced labor, the prohibition of child labor, and the management of human rights impacts within the supply chain. The review also confirmed that human rights risks for directly employed employees are relatively low, as the Company's policies and management processes are aligned with global standards. However, opportunities for improvement were identified in relation to indirect workers, including employees of suppliers and contractors, particularly regarding working hours, where direct management measures are legally limited.

To address these findings, LG Energy Solution conducted human rights assessments of domestic contractors, established internal standards for grievance mechanisms, and adopted a Modern Slavery Statement. No significant human rights incidents were identified in 2024 or 2025. Corrective actions were implemented for issues identified through RBA assessments and supplier ESG assessments, including enhancements to occupational safety and health policies and workplace culture improvement initiatives.

Key Findings of Human Rights Principles Review

Prohibition of Forced Labor, Prohibition of Child Labor, and Supply Chain Human Rights Impact Management

[Issue Description]

Child labor and forced labor are relatively more likely to occur in developing countries with low living wages or poor educational environments. Since regions where LG Energy Solution's sites are located, including South Korea, have relatively low human rights risks, direct issues have been less highlighted compared to overseas supply chains, resulting in a slightly lower level of risk awareness relative to their importance. However, with the recent strengthening of global regulations that directly sanction companies and goods linked to forced labor and child labor, such as the EU Forced Labour Regulation (EU FLR) and the US Uyghur Forced Labor Prevention Act (UFLPA), the importance of managing human rights risks not only at its own sites but also across the entire supply chain is becoming more prominent.

[Review Results]

As a global supply chain manager in the mid-stream stage, LG Energy Solution preemptively prevents compliance risks that could significantly impact business operations. Furthermore, the Company is committed to protecting the human rights of various stakeholders, including indirectly employed workers, supply chain partners, and local communities, to create sustainable social value.

1) Human Rights Risk Management for Indirectly Employed Workers

LG Energy Solution systematically manages the human rights risks of partners and contract workers within production sites who may be vulnerable to human rights risks by conducting regular on-site assessments and third-party interviews. In addition, the Company continues to supplement relevant systems, such as strengthening guidelines and policies for recruitment agencies, to ensure that ethical recruitment practices take root.

[2025-2026 Corrective Actions]

To effectively manage the human rights risks of indirectly employed workers, LG Energy Solution established a Code of Conduct for domestic in-house contractors in the second half of 2025 and newly introduced the 'Human Rights Management Capability' item to its regular evaluation indicators. This evaluation item consists of indicators that can closely identify the human rights impacts on contractor employees working at LG Energy Solution sites, such as governance, ethical employment, and guarantee of workers' rights, and is designed to award extra points for external certifications and awards related to human rights. Based on this, the Company conducted an evaluation of in-house contractors at the Ochang Energy Plant in January 2026, and no human rights violation cases requiring immediate corrective action were found.

2) Supply Chain Forced Labor Risk Management

To minimize risks related to forced labor, LG Energy Solution has formed a dedicated taskforce to perform continuous monitoring and inspections. In addition, the Company has developed a framework to assess forced labor risks by comprehensively utilizing supply chain mapping information, AI tools, and public data, thereby advancing its continuous risk management system.

[Supply Chain Information Collection]

Mandatory Information Provision

- Pledge to comply with the Code of Conduct for Suppliers
- Reflect obligations to understand global legislation and countries of origin
- Reflect obligations to cooperate with supply chain traceability information requests and cascade to sub-tier supply chains

Establishment/Application of Information Provision Process

- Mandate suppliers to submit sub-tier supply chain information
- Reflect forced labor risks and N-tier supply chain mapping status in regular supplier evaluations

[Risk Identification]

Accuracy Verification / Estimation Mapping

Collection of Mapping Information for Entire Supply Chain

Utilization of AI Tools

Objective 1	Verify information consistency
Objective 2	Identify presence of risks
Objective 3	Estimate and map uncollected information
Objective 4	Verify transaction structures

[Risk Analysis and Management]

Risk Analysis

Forced Labor Risk Analysis

- Analyze risks using AI Tools and public data*

Risk Level

High	Direct business relationship with entities suspected of forced labor
Mid	Direct/indirect equity ownership relationship with entities suspected of forced labor
Low	No risks identified via AI Tools

* Example: Similar reports published by relevant organizations/institutions

SAQ	On-Site Assessment	Improvement	External Disclosure

Response Process by Risk Type

High Risk	- Review suspension of transactions - Promptly secure alternative supply chains
Medium Risk	- Request clarification of risks If responsive: Maintain transactions while reviewing alternative options If non-responsive: Review alternative options or suspension of transactions
Low Risk	- Maintain transactions while continuously monitoring risks

Supply Chain Due Diligence for Medium/Low Risk Targets

1	Conduct investigations based on forced labor checklists
2	Request third-party audits and results if forced labor risks are high
3	Request submission and monitor implementation of Corrective Action Plans (CAP)

Major Findings and Corrective Actions at Sites (2025-2026)

LG Energy Solution regularly conducts RBA VAP assessments to inspect ESG risks, including human rights, occupational health and safety, environment, business ethics, and supply chains at its manufacturing sites. The scope of these assessments covers not only directly employed staff but also indirectly employed workers, such as those from suppliers and contractors. In addition, vulnerable worker groups, including women, young workers, people with disabilities, and migrant workers, are prioritized in the assessments, which also evaluate whether the needs of local community stakeholders, such as local residents and indigenous peoples, are properly integrated into the corporate management system. The scope of this assessment encompasses various risks that may arise at worksites, including human rights-related risks (forced labor, human trafficking, child labor, etc.) and worker rights-related risks (wage and benefit levels, labor-management communication and freedom of association, discrimination and harassment, etc.). RBA VAP assessments, which include on-site audits, are conducted biennially considering their validity period (two years after the initial audit), while the RBA SAQ (self-assessment questionnaire) is conducted annually.

[RBA VAP Assessment Status and Plans by Year]

- 2024 : Completed assessments for LGESMI (US) and LGESWA (Poland) subsidiaries
- 2025 : Completed assessments for Ochang (Korea) and three Chinese subsidiaries (LGESNJ, LGESNA, LGESNB)
- 2026 : Scheduled for re-assessment of LGESWA (Poland) in the first half and LGESMI (US) in the second half

Through these efforts, all manufacturing sites in mass production have been included in the RBA VAP assessments and human rights risk assessments. Joint ventures will also undergo assessments once they meet the audit requirements by securing at least 12 months of production performance. The number of human rights-related risks identified and remediated during on-site assessments conducted in 2025 across the areas of labor and human rights, occupational health and safety, and supply chain management is presented below.

Country	Site	On-site Assessment Date	Findings	Number of Corrective Actions	Remaining Issues	
Korea	Ochang Energy Plant	September 2025	11	11	0	-
China	LGESNJ	November 2025	6	2	4	Related to working hours and consecutive working days (Common)
	LGESNA	November 2025	6	2	4	
	LGESNB	November 2025	6	2	4	
United States	LGESMI	August 2025	2	0	2	
Poland	LGESWA	March 2026	6	In Progress	6	

Issues commonly found across sites include working hours ① exceeding RBA standards (provided that if local laws differ, the stricter standard applies), and ② exceeding 6 consecutive working days. As corrective actions for these, the Company has issued official letters requesting compliance with the RBA Code of Conduct to labor agencies. Other occupational health and safety findings have been 100% resolved through corrective actions such as supplementing facilities and guidance signs. In addition, the Company continuously monitors the effectiveness of corrective actions and the prevention of recurrence through regular on-site assessments.

LG Energy Solution is aware of the gaps between local labor laws/RBA standards and actual labor practices, and has confirmed through interviews during the assessments that there was no involuntary overtime. However, without ruling out the possibility that voluntary overtime may stem from the work culture or wage structure, the Company will review plans to improve working conditions and continue active labor-management communication. Furthermore, the Company will continue to utilize the RBA VAP assessment as an important tool for human rights impact assessment data collection and corrective/remedial actions, and continuously communicate the results.

[Ochang Energy Plant Corrective Action Case Study]

As part of its human rights management, LG Energy Solution conducted an effectiveness evaluation of convenience facilities for disabled employees to create a safe and non-discriminatory working environment within its sites. This evaluation was promoted as part of the RBA VAP assessment improvement activities, aiming to inspect the effectiveness from the perspective of actual users beyond formal compliance with regulations.

Prior to the evaluation, the Company referred to survey results and publications on convenience facilities for disabled persons conducted by the Ministry of Health and Welfare and the Korea Disabled People's Development Institute to establish LG Energy Solution's own methodology for evaluating the effectiveness of convenience facilities for disabled persons, reflecting legal standards and public agency policy directions. Based on this methodology, the Company established evaluation criteria that comprehensively consider actual usability and safety, rather than a simple installation-oriented checklist.

Subsequently, the Company verified and listed up the locations of approximately 160 convenience facilities for disabled persons installed within the site, and conducted direct inspections of each facility through on-site assessments. The evaluation was conducted based on criteria such as installation adequacy, accessibility, and safety, and each indicator was rated as 'Adequate', 'Inadequate', or 'Not Applicable' to systematically manage the status of each facility.

As a result of the evaluation, most convenience facilities were confirmed to be 'Adequate' in terms of installation standards and user environment. However, two cases of 'Inadequate' installation adequacy or accessibility were found in some facilities, and corrective actions reflecting site conditions have been completed. LG Energy Solution will continue to promote inspections and improvement activities to protect the human rights of disabled persons and improve the working environment, striving to create a workplace environment where everyone can work without discrimination.

Labor and Human Rights Practices

Ensuring Fair Working Conditions

LG Energy Solution guarantees all employees wages above the applicable minimum wage and systematically manages working hours, including overtime, in compliance with applicable domestic and international laws and regulations. Employees who work beyond statutory working hours are compensated in accordance with relevant legal requirements. The Company also conducts regular reviews and improvement activities to ensure appropriate wage levels and working conditions.

Grievance Mechanism

Scope of Grievance Mechanism

LG Energy Solution's grievance mechanism is operated for stakeholders across the entire value chain, including employees, indirectly employed workers, suppliers, service providers, contractors, and key partners, as well as NGOs and local communities, addressing various types of grievances.

Key Type	Key Reporting Content
Whistleblowing	Corporate misconduct such as corruption and bribery (including internal whistleblowing)
Worker Grievance	Unethical behavior (sexual harassment, workplace harassment) and general HR-related grievances
Supplier Grievance	Complaints regarding corporate policies and operations related to suppliers (payment delays, unethical behavior of the company and its employees, etc.)
Customer Grievance	Complaints regarding products and services
Local Community Grievance	Negative impacts on local communities near the Company's sites (pollutant emissions, noise, etc.)
3rd Party Grievance	Concerns raised by third parties* regarding corporate operations, supply chains, and environmental and social impacts *Stakeholders within the value chain and supply chain, such as NGOs and Tier-2+ upstream suppliers
Others	Other stakeholder complaints and grievances

To ensure effective remediation, the responsible departments and procedures may vary depending on the nature of each case, but the process generally proceeds as follows:

1. Receipt and Registration of Grievances	Grievances are received and registered through the following channels: - Email, written submissions, fax, telephone - Proactive outreach - Interviews - Others
2. Acknowledgment, Review, and Assignment of Responsibility	① Notify the whistleblower of receipt and explain the grievance handling process ② Determine the eligibility of the grievance ③ Assign a responsible person and department
3. Proposal of Response Measures	Formulate and propose response measures based on the following types: ⓐ Direct response and action by the company ⓑ Stakeholder assessment and engagement ⓒ Transfer to a more appropriate mechanism ⓓ If the grievance is deemed ineligible, proceed to Step 6 (Review)
4. Agreement	Proceed with agreement on the proposed response measures Agreement with the whistleblower is also required for options ⓒ and ⓓ under Step 3 (Proposal of Response Measures)
5. Implementation of Agreed Actions	If agreement fails, proceed to Step 6 (Review)
6. Review	Review the outcomes of Step 5 (Implementation of Agreed Matters) to determine whether to modify the approach (response measures), whether transfer to another institution/mechanism is necessary, or whether the grievance has been resolved and closed
7. Referral and Closure of the Case	

Grievance Channels

To promptly receive reports on human rights impacts from directly and indirectly linked stakeholders and to provide effective remediation and mitigation measures, LG Energy Solution operates various grievance channels, including the LG Ethics Hotline, an employee-only reporting center, and its official website. By operating multiple reporting channels rather than a single channel, the Company has established an environment where whistleblowers can select a channel based on their stakeholder type, the severity of the human rights impact, and the type of risk. In accordance with its whistleblower protection policy, the identity of the whistleblower and the details of the report are strictly kept confidential throughout the grievance process, and the Company fulfills its responsibility to ensure that whistleblowers face no retaliation or disadvantage.
The publicly accessible grievance channels are as follows:

LG Ethics Hotline

This is an integrated grievance channel where customers and stakeholders can report unethical behavior by employees or specific departments, environmental and social impacts related to products and services, and corporate ethics issues. In addition to online reporting, employees and other stakeholders can submit reports via telephone, mail, or fax.

- **Online** : https://ethics.lg.co.kr/
- **Email** : lgesethics@lgensol.com
- **Tel** : +82-2-3773-4123 (FAX: +82-2-3773-4084)
- **Mail** : Business Ethics Office, 62F, Parc.1 Tower 1, 108 Yeoui-daero, Yeongdeungpo-gu, Seoul, Republic of Korea, LG Energy Solution

Supply Chain Grievance System

This is a grievance channel where stakeholders, including all suppliers, service providers, and contractors within LG Energy Solution's supply chain, can report issues related to human rights, health and safety, the environment, and corporate ethics.
All stakeholders can report violations occurring within their own sites or the supply chain.

- **Email** : grievance@lgensol.com

Website

Stakeholders can report various issues, including human rights grievances, or make inquiries through LG Energy Solution's official website.

- **Online** : https://www.lgensol.com/kr/cs

Dispute Mediation Committee

In April 2023, LG Energy Solution established the "Dispute Mediation Committee" to provide a channel for resolving grievances that suppliers may encounter during transactions. If dispute mediation is required, suppliers can submit a request for dispute mediation to the committee through the following channels:

- **Email** : esfairtrace@lgensol.com
- **Tel** : +82-2-3773-4677

Labor-Management Relations

LG Energy Solution recognizes employees and labor unions as important partners and fosters a mutually beneficial organizational culture and labor-management relations built on trust and cooperation. All employees are free to join and participate in labor unions, and the Company engages in constructive collective bargaining aligned with its business objectives.

Labor Unions

In accordance with applicable laws and regulations, LG Energy Solution has established and operates labor unions at its domestic and overseas sites. To foster cooperative labor-management relations, the Company conducts regular collective bargaining with its domestic labor union. Collective bargaining agreements and wage agreements are negotiated annually, with the most recent agreements concluded on November 12, 2025 (labor union membership rate among domestic employees: 52% in 2025). Matters agreed upon through these negotiations are promptly communicated to employees, and collective bargaining agreements are reported to the relevant administrative authorities in accordance with Article 31 of the Trade Union and Labor Relations Adjustment Act. At overseas sites, a workers' representative organization has been established in China (membership rate among employees in China: 99.6% in 2025), while labor unions have been established in Poland.

Protection of Workers' Rights and Risk Identification

To protect workers' rights and mitigate compliance risks, LG Energy Solution regularly monitors developments in relevant regulations through its labor-management relations function. As part of its company-wide compliance activities, the Company also identifies and assesses potential risks related to human resources and labor-management relations while carrying out rigorous compliance management. Based on mutual trust between management and employees, LG Energy Solution strictly complies with labor-related laws and regulations. Accordingly, the Company has identified no sites where the rights to freedom of association and collective bargaining are at risk of being infringed.

Human Capital Management

LG Energy Solution has established and operates a talent acquisition and development system that is closely aligned with its business goals and strategies, based on its people philosophy of "Creating Value for Customers and Respecting Human Dignity." The Company seeks to cultivate and attract individuals who embody both a strong commitment to and the ability to execute the LG Way, as well as achievement-oriented talent equipped with the capabilities to grow, challenge, execute, and collaborate to unlock the world's untapped potential through LG Energy Solution's technologies.

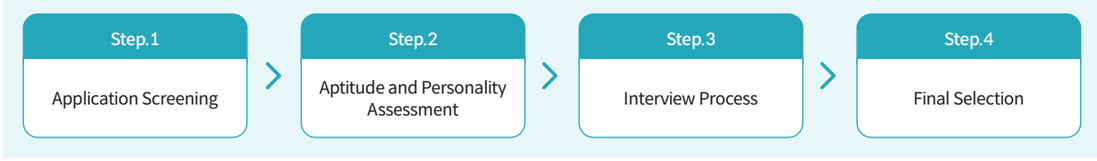
Ideal Candidates **Recruitment Notice** **Job Introduction** **LG Careers**

Talent Acquisition

Talent Acquisition Process

LG Energy Solution conducts recruitment based on diversity and fairness for all applicants who meet the eligibility requirements, while assessing candidates against job-specific competencies and the Company's talent profile. To secure the right talent in line with evolving business needs, the Company carries out year-round experienced and entry-level hiring and enhances applicants' understanding of recruitment opportunities through university career fairs and detailed job postings.
In addition, LG Energy Solution operates specialized recruitment programs to attract outstanding talent in R&D, a cornerstone of its future business growth. These programs include the Battery Tech Conference (BTC), industry-academia scholarship programs, and contract-based academic programs designed to cultivate and recruit high-potential talent.

[New Graduate Recruitment Process]



Step.1 Application Screening	• Applications are reviewed based on the applicant's preferred business division, job function, and work location. • Candidates' qualifications and competencies are assessed comprehensively. (For R&D master's and doctoral candidates, research materials are additionally reviewed to assess job suitability and relevant expertise.)
Step.2 Aptitude and Personality Assessment	• Candidates are comprehensively evaluated through a personality assessment reflecting LG Energy Solution's talent profile to determine their characteristics and overall suitability. • Job-related competencies are assessed to evaluate problem-solving capabilities, growth potential, and performance-related attributes.
Step.3 Interview Process (including pre-employment medical examination	• **Job-Fit Interview** - Evaluates issue analysis, problem-solving capabilities, and key competencies required for the position based on a job-specific presentation. • **Culture-Fit Interview** - Assesses alignment with LG Energy Solution's talent profile, organizational fit, and growth potential.
Step.4 Final Selection	• Announces successful candidates by comprehensively considering the results of all stages.

[Experienced Hire Recruitment Process]



Step.1 Application Screening	• Applications are reviewed based on the candidate's preferred business division, job function, and work location. • Candidates' qualifications and competencies are assessed comprehensively. (For R&D positions, additional reviews are conducted on research experience and the relevance of research expertise to the role)
Step.2 Personality and English Assessment	• **LG Way Fit Test** - Evaluates candidates' characteristics and overall suitability based on LG Energy Solution's talent profile. • **English Proficiency Test** - Assesses candidates' global communication skills through an AI-based English proficiency test.
Step.3 Personality Assessment and English proficiency test	• Evaluates candidates' ability to perform the role by assessing their technical expertise and relevant work experience. • Interviews focus on job-related competencies, with methods varying by position, including panel interviews, presentation (PT) interviews, situational interviews, and coding tests. • For R&D jobs, verifies the relevance and suitability between degree programs, career history, and research fields.
Step.4 Interview and Reference Check (including pre-employment medical examination)	• Evaluates organizational fit, growth potential, collaboration skills, and overall alignment with LG Energy Solution's talent profile. • An online reference check is conducted.
Step.5 Final Selection	• Successful candidates are selected based on a comprehensive review of all evaluation results, followed by discussions regarding compensation and employment conditions.

Proactive Talent Acquisition in Korea and Overseas

Battery Tech Conference (BTC)

LG Energy Solution hosts the Battery Tech Conference (BTC) to attract outstanding global master's and doctoral R&D talent who will drive the Company's future growth. The program introduces the Company's vision for battery technologies and business while providing opportunities for networking with executives and employees. In 2025, BTC was held in North America (April), Europe (June), and Korea (September). Participants interested in joining the Company were offered access to a special recruitment process. Unlike the standard hiring process, which typically takes several months, the accelerated process can be completed within approximately one month, enhancing the candidate experience while enabling the Company to proactively secure top talent. In April, BTC in Chicago brought together approximately 40 Korean master's and doctoral researchers selected from leading US universities and research institutions, including MIT, Stanford University, UC Berkeley, Cornell University, and Argonne National Laboratory, for technical exchanges and executive interviews. In June, BTC in Frankfurt was held for Korean researchers from leading European universities and research institutions, including Imperial College London, the University of Oxford, and ETH Zurich, further expanding the Company's global talent network.
In September, BTC in Seoul was held alongside visits to Target Labs, providing opportunities for direct engagement with researchers and strengthening networks to identify and attract future talent. Through BTC and its associated recruitment programs, LG Energy Solution proactively secures outstanding R&D talent across borders, regardless of geographic location.

Operating Customized Education Programs and Industry-Academia Collaboration Programs

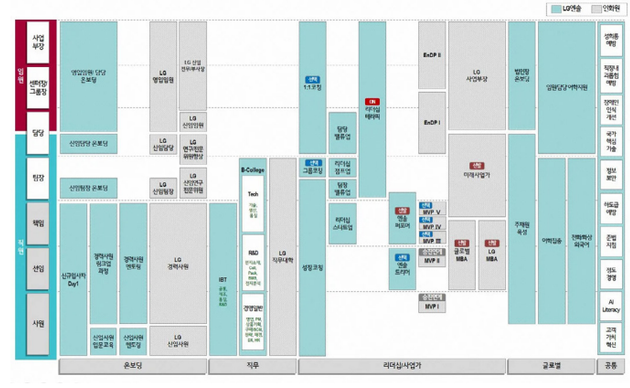
LG Energy Solution operates contract-based academic programs and industry-academia collaboration programs in partnership with leading universities in Korea to cultivate and secure top talent with advanced expertise in the battery industry. In March 2022, the Company launched the Battery-Smart Factory Department at Korea University and the Interdisciplinary Program in Secondary Battery Engineering at Yonsei University, both linked to employment opportunities. Since September 2022, it has also operated an industry-academia collaboration program with the Department of Battery Engineering at Hanyang University.
To strengthen participants' sense of belonging and engagement, LG Energy Solution hosts various events and lectures each year, including invitations to InterBattery and visits to the Company's headquarters. In July 2025, the Company also held an Industry-Academia Collaboration Conference at its Daejeon Research Institute, inviting high-potential talent involved in joint research projects for technical exchanges and networking opportunities. In addition, a dedicated recruitment process is offered to participants selected for outstanding poster presentations.
Through these programs, LG Energy Solution promotes the shared growth of academia and industry while strengthening engagement with the Company, thereby proactively securing outstanding talent with expertise in the battery sector.

Talent Development

LG Energy Solution is committed to developing achievement-oriented talent equipped with the capabilities to grow, challenge, execute, and collaborate, based on its belief that people are the source of differentiated competitiveness. To this end, the Company has established a systematic competency development framework aligned with its business goals and strategies and provides tailored development opportunities throughout employees' entire career lifecycle, from onboarding to retirement.
The Company's learning and development system consists of the following key programs:

- **Common and Mandatory Training :** Required for all employees
- **Onboarding Programs :** Supporting the successful integration of new hires and newly appointed leaders
- **Leadership Development :** Cultivating leaders who drive organizational performance
- **Next-Generation Business Leader Development :** Identifying and developing future business leaders
- **Job-Specific Training :** Strengthening professional capabilities by job function
- **Language Programs :** Enhancing global communication capabilities

In parallel, LG Energy Solution actively promotes AI literacy and AI Transformation (AX) through its Digital Transition Program, supporting a wide range of training and development activities designed to strengthen capabilities for the AI era. Through these efforts, employees are equipped with a fundamental understanding of AI technologies and their practical applications, while fostering a culture that integrates AI into day-to-day operations and decision-making processes across the organization. Furthermore, to cultivate talent aligned with the LG Group's customer value-centered management philosophy, the Company provides a wide range of self-development opportunities in addition to group-level learning programs. Through these initiatives, LG Energy Solution strengthens employees' self-directed development capabilities and continuously nurtures talent that contributes to organizational performance. To support these efforts, the Company systematically manages both quantitative and qualitative investment indicators related to talent development on an annual basis.



Learning and Development Framework

Common/Mandatory Training for Employees

Ensol Campus

To enhance the professional expertise and leadership capabilities of employees worldwide and foster a culture of self-directed learning, LG Energy Solution operates Ensol Campus, its proprietary online learning platform that provides on-demand learning opportunities. As of 2025, Ensol Campus offers a diverse range of learning content, including 817 job-specific courses, 310 leadership courses, and 308 language courses. The platform is organized into three key categories: Battery College, which strengthens employees' technical and job-related expertise; Leader's Academy, which supports capability development in areas such as leadership, onboarding, strategy, management, and career development; and Language School, which enhances foreign language proficiency. Through high-quality internal and external learning content available in Korean, English, and Chinese, LG Energy Solution actively supports the growth and development of its global workforce.



Ensol Campus

Company-wide Mandatory Compliance Training

LG Energy Solution provides compliance training to ensure that all employees worldwide understand the importance of compliance, acquire relevant knowledge, and apply it effectively in their day-to-day work in accordance with applicable laws, regulations, internal policies, and ethical standards. Based on the Company's Compliance Guidelines, mandatory training programs are provided annually, including legally required courses on the prevention of workplace sexual harassment, disability awareness, information security and personal data protection, and the protection of national core and advanced strategic technologies. In addition, employees complete mandatory internal training covering AI Literacy, workplace harassment prevention, the Compliance Guidelines, ESG, quality, environmental health and safety, fair trade, and customer value.

The Company rigorously manages training completion records in line with legal requirements and ISO audit standards. Through these efforts, LG Energy Solution helps employees prevent risks at both the organizational and individual levels, including criminal liability, civil damages, and regulatory penalties, while fostering a culture grounded in the principles of integrity and respect for others.



Compliance Training

Employee Onboarding Support

New Hire Onboarding Program

LG Energy Solution supports the early success of new graduates and experienced hires through onboarding programs designed to help them quickly adapt to the organization and build a strong foundation for future leadership. The program covers the Company's business, systems, and ways of working, while helping participants develop core competencies, strengthen fundamental job skills, and establish long-term career visions. Through these activities, employees gain a deeper understanding of and internalize the Company's core values of Growth, Challenge, Execution, and Collaboration.

As an extension of the onboarding program, LG Energy Solution operates the Institute of Battery Technology (IBT), a job-specific training program for new employees that further strengthens professional expertise. IBT is designed to help participants acquire the foundational knowledge and skills required for the battery industry and their respective roles, enabling a smooth transition into the workplace. The program consists of two components: Battery Basics Training and Job-Specific Training.

The Battery Basics Training curriculum develops core capabilities by covering fundamental knowledge related to batteries, the Company's business, finance, and accounting, while also providing a foundation in manufacturing technology and R&D. The Job-Specific Training curriculum is tailored to individual functions, including manufacturing technology, R&D, and general management, allowing participants to build practical job knowledge such as business processes, systems, and software tools relevant to their roles.

Through these programs, LG Energy Solution enables new employees to adapt quickly, enhance their job readiness, and build the competencies required for long-term success.

[IBT Training Process]

1 Battery Basics Training	2 Job-Specific Training
• Battery and product fundamentals • Battery industry trends and global policies/regulations • Battery value chain • Manufacturing processes and technologies • Fundamentals of finance and accounting	• Role-specific knowledge and practical training • Systems and software tool training

After completing job-specific training, new employees further strengthen their capabilities and expand their professional networks through mentoring with experienced colleagues. They also participate in growth coaching with their leaders to clarify their career aspirations within the organization and identify key development priorities. Through these initiatives, LG Energy Solution supports the successful soft landing and early productivity of new hires while enhancing employee engagement and contributing to the Company's long-term competitiveness.

Onboarding Program for Newly Appointed Executives and Department Leaders

This program is designed to help newly appointed executives and department leaders clearly understand the roles and performance expectations associated with their positions, while gaining deeper insights into how to create meaningful business results as leaders. It also provides opportunities to learn practical leadership experiences and best practices, enabling participants to drive higher levels of performance within their organizations. The program is offered not only at the Korean headquarters but also to leaders across global operations in North America, Europe, and China. Participants are encouraged to assess their current capabilities and reflect on the qualities and direction of effective leadership. In addition, the program helps leaders strengthen their ability to articulate business-aligned visions and goals, enhance leadership effectiveness, and foster a healthy organizational culture that supports sustainable performance.

New Team Leader Onboarding Program

This program supports newly appointed team leaders in understanding their evolving roles and strengthening essential leadership capabilities. It covers topics such as leadership transitions, team performance management, and employee feedback skills. Following an initial in-person program, structured e-learning courses are provided to reinforce leadership competencies in the workplace. In addition, a Team Leader Guidebook is distributed to support practical leadership execution through operational guidance and relevant case studies.

Expatriate Onboarding Program

LG Energy Solution provides Cross-Cultural and Global Leadership Training for employees preparing for overseas assignments. The program aims to help expatriates develop a global DEI (Diversity, Equity, and Inclusion) mindset, adapt smoothly to local cultures, and quickly engage in their roles. Training covers global leadership competencies, the impact of cultural differences on work styles, trust-building with local employees, and effective communication in diverse business situations. Through these efforts, the Company continues to foster an inclusive culture that respects diversity across global sites.

Strengthening Leadership Capabilities

Team Leader Value-Up Program

To support team leaders in driving LG Energy Solution's performance-oriented professional culture, the Company offers the Team Leader Value-up Program, which strengthens capabilities as both performance and change managers. The program enhances skills in goal setting, continuous performance management, employee feedback, one-on-one conversations, and growth coaching. In addition, AI capability-building programs help leaders maximize productivity through AX (AI Transformation), apply AI-driven insights to their work, and lead organization-wide AX initiatives. Various leadership development programs are also provided, while results from regular company-wide leadership surveys are actively used to enhance leaders' self-awareness and improve training programs.

- Team Leader Value-Up Program Completion Rate: 86% (698 eligible participants)

Part Leader Start-Up Program

This program helps middle managers develop effective leadership and grow into future leaders capable of driving execution aligned with organizational vision and strategy. Participants assess their leadership strengths, organizational context, and current leadership capabilities while strengthening strategic communication, problem-solving, and performance management skills. The program also supports the development of personalized leadership growth plans, enabling middle managers to effectively fulfill their roles and lead balanced organizational performance.

Developing Future Business Leader Candidates

Performer Program

High-potential employees at the Professional level are selected to strengthen business and leadership fundamentals through structured development and experiential business learning. The program provides in-depth learning on new business opportunities and essential entrepreneurial capabilities while closely assessing individual growth potential and recommending tailored development paths. Through this initiative, LG Energy Solution systematically cultivates a pipeline of future business leaders.

Dreamer Program

This program supports Senior Associate-level employees with strong entrepreneurial potential in developing an entrepreneurial mindset, core capabilities, and a long-term growth vision. Participants gain diverse achievement experiences while broadening their business perspective and influence. The program also features successful business leader role models who share practical growth roadmaps and includes Design Thinking training to help participants develop and refine business ideas through hands-on entrepreneurial experiences.

Growth Support Programs

LG Energy Solution supports employees' career development through one-on-one coaching conversations with their direct managers, helping individual growth translate into meaningful organizational performance. Centered on development through work, the program enables employees to connect their growth aspirations with their roles, deepen their expertise, and demonstrate their value.

Once a year, managers and employees discuss the growth they aim to achieve through their work and identify the expertise and self-development activities needed to achieve their goals. More than a routine career discussion, Growth Coaching serves as a strategic and meaningful dialogue that supports employees' professional development while contributing to organizational performance.

Employee Job Competency Development

B-College

To support employees' professional development based on the competencies required for their respective roles, LG Energy Solution provides a wide range of structured training programs covering diverse topics and learning formats relevant to day-to-day operations. The Company operates competency-based learning roadmaps and tiered training programs tailored to major job families, including R&D, Manufacturing/Technology/Quality, and General Management. In addition, LG Energy Solution is gradually expanding personalized learning recommendations that provide employees with relevant technical information and training courses based on their individual competency levels. Through these efforts, employees can access the right learning opportunities at the right time and effectively strengthen their expertise in line with their career development, reskilling, and upskilling needs.

[Number of Job Training Programs in Operation]

Category	Number of Programs	Number of Participants
R&D	186	5,928
Manufacturing/Technology/Quality	259	7,440
General Management	181	1,523
Common Job Competencies	191	32,563
Total (B-College)	**817**	47,454

* Domestic participants, including duplicate enrollments.

Language Programs

To systematically and effectively support employees whose roles require global language capabilities, LG Energy Solution provides a variety of language learning programs tailored to different groups, including executives and leaders, employees preparing for overseas assignments, and the broader workforce.courses tailored to individual learning objectives.

[Language Courses]

Target	Program	Participants
Team Leaders	Team Leader Language Program	104
Prospective Expatriates	Intensive Language Program for Expatriate Candidates (Selective)	36
Employees	Advanced Business Language Program (Selective)	101
	Telephone-Based Language Training	950
	AI Business Language Program	3,577
	E-Learning Language Program	3,516
Total		**8,284**

In particular, employees preparing for overseas assignments and those identified as future global business professionals are selectively enrolled in intensive language programs to strategically strengthen their language capabilities. In addition, LG Energy Solution offers a wide range of language learning opportunities for all employees through e-learning, AI-based speaking programs, telephone and video lessons, and face-to-face courses. Through these initiatives, the Company supports employees in effectively developing the global communication skills required in an increasingly interconnected business environment.

Professional Certification Support Program

LG Energy Solution supports employees in obtaining job-related certifications relevant to their organizations and current roles, helping them enhance their professional capabilities while contributing to organizational performance. The Company actively encourages employees to acquire certifications in legally mandated fields such as safety management, fire safety, environmental management, occupational health, hazardous materials, electrical engineering, and energy management, as well as other business-critical areas, including quality and mechanical engineering. Through these efforts, employees are supported in strengthening the expertise required for their roles and career development.

Peer Plus

Peer Plus is an in-house learning and networking group in which employees voluntarily participate, serving as a system to jointly strengthen job competencies based on peer collaboration and networks. Employees run groups centered on job topics of interest or work improvement tasks, sharing learning outcomes and experiences to spread expertise and a collaborative culture across the organization. LG Energy Solution continuously promotes team- and networking-based job competency development activities that foster team-level connectivity and a learning culture alongside such individual growth.

Outplacement Support for Involuntary Retirees

To prepare for an aging society, LG Energy Solution provides re-employment training for employees aged 50 and above who are expected to leave the Company involuntarily, including through mandatory retirement, in accordance with the Act on Prohibition of Age Discrimination in Employment and Elderly Employment Promotion. The Company offers statutory career transition programs focused on career and life planning, helping employees prepare for the next stage of their lives and careers in a timely and structured manner.

Fair and Transparent Performance Management

LG Energy Solution fairly and clearly manages performance through continuous performance management, regular check-ins, peer reviews, and evaluation calibration committees, and operates personal incentives (PI) and on-spot incentives (OSI) based on individual performance. In addition, the Company supports competency and career development through job competency assessments for all employees, as well as leadership surveys and consultation programs for leaders.

Performance Evaluation

Based on the Objective Sharing Meeting conducted at the beginning of each year, LG Energy Solution establishes team and individual goals aligned with organizational objectives. Throughout the year, the Company supports performance achievement through continuous performance management and regular check-ins conducted through Agile Conversations, providing ongoing coaching and feedback based on employees' day-to-day work activities.
At year-end, performance evaluations are carried out through Evaluation Calibration Committees to ensure fairness, consistency, and transparency. In addition, the Company regularly provides performance management training and guidance for leaders, enabling them to effectively support and develop the performance of their team members.

[Performance Evaluation Process]

Objective Sharing Meeting	Continuous Performance Management	Regular Check-In	Peer Review	Year-End Evaluation
• Share team KPIs • Assign ownership for KPI	• Set Goals • Continuously manage performance through ongoing activities	• Provide performance reviews and feedback against goals	• Identify strengths demonstrated during performance delivery and collaboration	• Conduct Evaluation Calibration Committees

Peer Review

To enhance the objectivity and fairness of evaluations and support strength-based employee development, LG Energy Solution conducts an annual peer feedback process. Feedback from colleagues who have closely collaborated with employees is used to identify strengths and development opportunities and support ongoing growth.

Job Competency Assessment

To strengthen employee-led professional development and support competency-based talent management, LG Energy Solution conducts an annual Job Competency Assessment. The assessment is integrated with key HR processes, including promotions and learning and development programs, enabling employees to continuously enhance their expertise while supporting systematic talent development and deployment based on job-related competencies.

Leadership Survey

LG Energy Solution conducts a Leadership Survey to help leaders identify their strengths and development areas, enabling them to enhance their leadership capabilities and performance management effectiveness. The survey gathers feedback from multiple perspectives, including the leaders themselves, their supervisors, peers, and team members. Based on the results, the Company provides coaching and other development support to help leaders strengthen areas for improvement.

Compensation System Based on Performance-Oriented HR Principles

LG Energy Solution operates its compensation system in accordance with performance-oriented HR principles. In addition to base salaries determined by external market competitiveness and individual performance, the Company provides various variable compensation programs, including Management Performance Incentives, Personal Incentives, and On-the-Spot Incentives, to ensure employees are appropriately rewarded for their contributions.
The Company also complies with all applicable compensation-related laws and regulations and operates its compensation system without discrimination based on gender, nationality, religion, social status, or any other protected characteristic.

Category	Compensation Criteria and Description
Management Performance Incentive	Rewarded based on the company's management performance (financial and competitive performance)
Personal Incentive	Rewarded differentially based on individual contribution
On-the-Spot Incentive	Rewarded immediately to individuals at the time of their contribution

Talent Development **HR Principles**

Inclusive Culture

LG Energy Solution offers a wide range of programs to support employee well-being and enhance benefits, fostering trust, engagement, and a strong sense of belonging. These efforts contribute to a stable, achievement-oriented organizational culture. The Company also supports employees' physical and mental well-being through programs that promote work-life balance and extend to employees' family members, helping create a great workplace.

Enhancing Employee Engagement and Workplace Pride

"Joyful Workplace" is LG Energy Solution's unique organizational culture, rooted in LG's management philosophy of "Respect for Human Dignity." Since 2022, the Company has implemented various initiatives to enhance employees' workplace experience. In 2025, LG Energy Solution supported employee well-being and work engagement by providing wellness programs and related infrastructure. The Company also strengthened tailored care programs for employees, their families, and business units, helping foster workplace pride and a positive employee experience.

Supporting Physical and Mental Well-Being for Employee Engagement

LG Energy Solution provides wellness infrastructure and a variety of programs, including group exercise (GX), meditation, healing, and counseling services, to support employees' physical and mental well-being and help them stay fully engaged at work.

- **Care Programs for employees experiencing intensive workloads**
  (long-term business travelers, employees responding to critical issues, and members of major projects or task force teams, etc.)
- **Mindfulness Programs for organizations, teams, and individuals**
- **Various GX programs, including yoga, Pilates, and meditation**
- **Premium nutritional supplement services tailored to individual wellness needs**
- **Operation of "Entral Park," a dedicated space for employee communication and relaxation**
- **Provision of psychological counseling services and infrastructure**

Various Care Programs to Enhance Employee Pride and Motivation

LG Energy Solution provides a variety of programs that support employees' personal and family well-being while fostering camaraderie and collaboration, helping employees develop a strong sense of pride and belonging.

- **Company Visits for Employees' Family Members and Friends :** Approximately 10,000 family members and friends visit annually
- **Family Life-Cycle Care Programs :** Support programs such as encouragement initiatives for employees' children taking the College Scholastic Ability Test (CSAT)
- **Customized programs for actual work :** Operating programs reflecting the characteristics of each business division
  (support for new members, heavy workload employees, leadership, etc.)
- **Tailored Business Unit Programs :** Customized programs reflecting business unit needs
- **Company Identity Programs :** Branded merchandise and EV test-drive experiences
- **Seasonal Engagement Programs :** Performances, lectures, events, and team-based morale-boosting activities
- **Employee Segment-specific Programs :** Specialized activities for researchers and care programs for night-shift employees
- **External Recognition :** Certified as a Family-Friendly Company by the Ministry of Gender Equality and Family

LG Energy Solution obtained Family-Friendly Certification in 2022 and was granted a four-year certification validity period. The Family-Friendly Certification System, established under Article 15 of the Act on the Promotion of Creation of Family-Friendly Social Environment, recognizes companies and public institutions that demonstrate exemplary implementation of family-friendly practices. These practices include support for childbirth and childcare, flexible work arrangements, and the creation of a family-friendly workplace culture. Certification is awarded based on document review, on-site assessment, and employee satisfaction surveys.



Ensol's Pick (Guest Speaker Lecture)



Ensol 1 vs. 100 (Quiz with Employees)



Hot Season Event 'Ensol Game'



Saturday! Saturday with Family!

Advancing Diversity, Equity, and Inclusion (DEI)

LG Energy Solution pursues an organizational culture of "Diversity" that does not discriminate based on differences, "Equity" that provides equal opportunities and does not discriminate based on social status, and "Inclusion" based on mutual understanding, respect, and trust among members. In accordance with this "Diversity, Equity, and Inclusion Policy," the Company conducts internal training and strive to spread it to the organizational culture of all global sites.

A Culture of Respect for Diversity

Securing Diverse Global Talent

LG Energy Solution respects the uniqueness of individuals, distinguished by personal characteristics, preferences, and choices such as gender, disability, race, nationality, and gender identity, and recruits talent from various countries. As of 2024, the proportion of overseas employees at its global sites is approximately 70%, and this proportion is expected to increase further considering additional investments and expansions in North America in the future. The Company will continue to promote diversity at all job levels across its domestic and overseas sites.

Attracting and Empowering Women Talent

LG Energy Solution operates a Women Leaders Forum as a specialized leadership development program for female employees and has introduced HR policies that support women, including leave and financial assistance for infertility treatment and maternity protection benefits for adoptive parents. The Company also analyzes the status of male and female employees, gender-based compensation, and the causes of gender pay gaps on an annual basis to promote a more inclusive workplace.

Expanding Employment of People with Disabilities

LG Energy Solution is committed to increasing the employment of persons with disabilities and fostering a workplace culture built on respect, inclusion, and equal opportunity. In addition, the Company operates Areumnuri, a subsidiary focused on employing persons with disabilities, whose employees support operations at the headquarters and the Ochang and Daejeon sites, including convenience stores, cafés, parking management, cleaning services, steam car washing, and consumables management.

A Culture of Fairness

Programs to Provide Equal Opportunities

At major manufacturing sites, LG Energy Solution collaborates with leading local universities to offer a range of industry-academia partnership programs, including internships, competitions, and networking opportunities with industry experts. The Company also operates talent development and recruitment-linked programs for individuals in non-metropolitan regions, contributing to balanced regional economic development and helping address youth unemployment.

People Management Based on Fairness Principles

LG Energy Solution applies fair human resource management principles that do not discriminate based on gender, age, race, nationality, religion, labor union activities, disability, pregnancy, marital status, or social status in promotions, compensation, and training. Accordingly, the Company recruits talent without discrimination, provides equal opportunities for promotion and compensation based on the abilities and qualifications of employees, and operates fair personnel, training, and welfare systems that employees can trust.

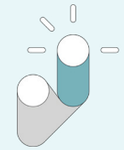
An Inclusive Organizational Culture

LG Energy Solution aims for a horizontal culture where employees can freely share opinions with mutual respect, unifying honorific titles to '-nim' regardless of rank or position, to build an organizational culture based on mutual understanding and respect and to create a stable environment where employees can grow into business experts. Based on the philosophy that 'employees are our most important customers,' LG Energy Solution listens to the voices of employees and carries out corporate culture activities through various channels such as EnTalk (CEO Hotline), corporate culture surveys, and the Junior Board (employee representative council).

Organizational Culture Initiatives

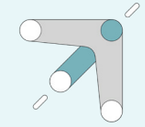
LG Energy Solution unveiled its first corporate vision since its establishment, "Empower Every Possibility," in October 2024, signaling its transformation from a battery manufacturer into a game changer in the energy industry. The vision embodies the Company's ultimate aspiration and purpose, and is supported by four core values: Growth, Challenge, Action, and Collaboration. In June 2025, LG Energy Solution further established "The Ensol Way of Working: 7 Principles," a practical guide designed to translate these core values into everyday actions. Through the adoption of these principles, employees are embedding the core values into their daily work and contributing to the development of Ensol 2.0, the Company's evolving organizational culture.

[Core Values]



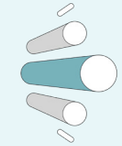
Power of Growth

A Self-driven individual who seeks opportunities of growth by acquiring and solving tasks.



Power of Challenge

An individual who sets goals beyond the expectation and strives for innovative methods over adhering to the traditional ones.



Power of Action

An individual that can execute decisions with agility and fulfill tasks tocompletion.



Power of Collaboration

An individual that keeps the common goals on priority, and shows enthusiastic co-operation while respecting the different background and experience of colleagues.

Core Value Action Guide: The Ensol Way of Working

Seven Ways Ensolers Create Results through Growth, Challenge, Action, and Collaboration

Action	Growth	Growth / Challenge	Challenge / Action
Align on why a task is important and what needs to be achieved	Reflect on what can be learned from each task and find meaning in the experience.	Set ambitious goals that push beyond perceived limits.	Stay committed and persevere until the goal is achieved, even in the face of difficulties.

Collaboration	Action / Collaboration	Collaboration
Work as one team beyond organizational boundaries.	Communicate clearly and transparently.	Uphold the fundamental principles required for effective teamwork.

Junior Board

LG Energy Solution's Junior Board is an organization consisting of one representative from each center and business division, and one member from each department in charge. With the mission of being Change Agents for improving organizational culture and work, a total of 12 Junior Board representatives and 201 members were active throughout 2025. In particular, in 2025, activities were focused on establishing a "goal-oriented professional organizational culture" and improving work styles aligned with the "Vision and Core Values." Based on the Voice of Employee (VoE), the Junior Board proposes constructive improvement ideas and communicates with management on major internal issues, driving change across various areas such as organizational culture, HR systems, IT systems, procurement, and investment.

CEO Lounge Talk

LG Energy Solution operates CEO Lounge Talk, a communication channel through which the CEO shares encouragement and support while engaging with employees in an open and informal setting. The program provides opportunities for dialogue on a wide range of topics, including ways of working, business direction, and management philosophy. Through candid conversations between the CEO and employees, CEO Lounge Talk helps reduce psychological distance, strengthens mutual understanding, and directly conveys the CEO's interest in and support for employees, thereby enhancing employee engagement and motivation.

EnTalk

LG Energy Solution launched EnTalk in November 2021, a hotline communication channel that enables direct dialogue between the CEO and employees worldwide. The platform remains actively utilized, with a total of 443 improvement suggestions submitted between January 2024 and February 2026. In 2025, EnTalk led to various workplace improvements aimed at enhancing work-life balance and employee satisfaction, including additional support for non-covered infertility treatment expenses (miscarriage prevention injections), increasing the frequency of retirement pension contributions from once to twice a year, and improving the usability of the annual leave management system. Through EnTalk, LG Energy Solution continues to promote open communication and incorporate employee feedback into workplace improvements.



CEO Lounge Talk



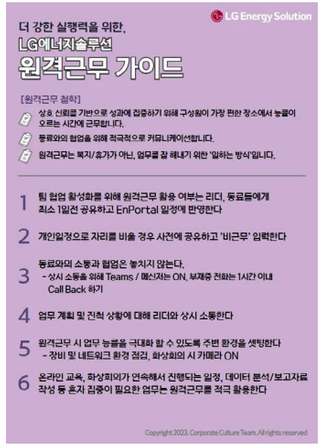
Entalk

Thank you, ENSOL

Thank You, ENSOL is a recognition platform launched in October 2023 through the expansion and enhancement of the former LGENergy system, which was originally used to share appreciation and encouragement among employees. Through the platform, all employees receive 12 Energy points each year and can send them to colleagues along with messages of appreciation. Employees can later redeem the Energy points they receive at a value of KRW 10,000 per point. The platform is used not only in Korea but also across global subsidiaries, including China, Poland, the United States, and Germany. With employees exchanging more than 200,000 messages annually, Thank You, ENSOL has helped foster a culture of appreciation throughout the organization. LG Energy Solution expects this culture to further strengthen cross-functional collaboration and contribute to enhanced business performance.

Fostering a Self-Directed Work Culture Based on Mutual Trust

LG Energy Solution operates flexible working arrangements, including remote work, flextime, and month-end leave, enabling employees to work in the environment that best supports their productivity and performance.
The Company also provides a remote work program based on company-wide remote work guidelines and has secured access to satellite offices through partnerships with major shared office providers in Korea. Through these initiatives, LG Energy Solution continues to foster a self-directed work culture built on mutual trust and accountability.



LG Energy Solution Remote Work Guide

Employee Engagement Surveys and Organizational Development Programs

LG Energy Solution conducts an annual employee engagement survey to improve organizational culture and enhance the employee experience. The survey measures factors that influence employee engagement, including job satisfaction, sense of purpose, happiness, and stress levels, helping the Company identify organizational strengths and areas for improvement.
Survey results are provided in the form of customized reports to each organization's leaders and Junior Board, enabling leaders to implement tailored improvement initiatives and strengthen execution. In addition, LG Energy Solution analyzes factors that hinder employee engagement, addresses organization-specific issues, and operates a range of organizational development programs to support continuous improvements in organizational culture.

[**Positive Response Rate in Employee Engagement Surveys** (2023–2025)]



Employee Benefits and Welfare Program

Supporting Work-Life Balance for Employees

LG Energy Solution operates a range of family-friendly programs to help employees balance their work and family responsibilities. Employees preparing for pregnancy and childbirth are supported through pregnancy leave, infertility treatment leave, and leave of absence programs, while generous maternity leave and parental leave help employees spend meaningful time with their children. The Company also offers reduced working hours during childcare periods to further support work-life balance. In addition, LG Energy Solution operates two workplace childcare centers—"Eussyuk (ESG) Ensol Kids Childcare Center" at its headquarters and "Kids & SOL Childcare Center" at the Ochang Energy Plant—to provide stable childcare support for employees with children. These centers offer professional childcare services in a safe and nurturing environment, helping employees successfully balance their careers and family lives.

Category	Program	Description
Pregnancy	Fertility Treatment Leave	Up to 6 days of leave for employees undergoing fertility treatment
	Fertility Treatment Leave of Absence	Up to 6 months of leave of absence for employees diagnosed with infertility
	Pregnancy Leave	Up to 10 months of leave of absence to support a healthy pregnancy and safe childbirth
	Prenatal Check-up Leave	Leave for prenatal medical appointments (duration varies by stage of pregnancy)
	Pregnancy Loss Leave	Leave for employees who experience miscarriage or stillbirth (duration varies by stage of pregnancy)
	Reduced Working Hours for Pregnant Employees	Up to 2 hours of reduced working time during the first 12 weeks of pregnancy and from 32 weeks onward
Childbirth	Maternity Leave	90 days of leave for childbirth (100 days for premature births, 120 days for multiple births)
	Paternity Leave	20 days of leave for employees whose spouses have given birth
	Childbirth Grant	KRW 1 million provided upon the birth of a child
Parenting	Parental Leave	Up to 2 years of leave of absence for employees with children aged 8 or younger, or in the second grade of elementary school or below
	Reduced Working Hours for Employees with Young Children	Reduced working hours by 1–5 hours per day for employees with children aged 12 or younger, or in the sixth grade of elementary school or below
	Paid Nursing Breaks	Paid nursing breaks for employees with children under one year of age
Others	Family Care Leave	Up to 10 days of leave for employees caring for family members due to illness, injury, old age, or childcare responsibilities
	Family Care Leave of Absence	Up to 90 days of leave of absence for employees requiring extended family care due to illness, injury, old age, or childcare responsibilities

Various Benefits Programs Supporting Healthy Living

LG Energy Solution operates a wide range of benefits programs to support employees' well-being and work-life balance. In addition to providing protection against risks such as illness, unemployment, and disability through the four major social insurance programs, the Company offers its own support for health checkups and medical expenses.
The Company also provides comprehensive benefits that promote employees' financial stability and quality of life, including housing and educational assistance, vacation programs and recreational facilities, as well as personal pension and retirement pension plans. Through these initiatives, LG Energy Solution supports employees' well-being at every stage of life.

Category	Item
Flexible Benefits	Health promotion, leisure activities, self-development, and employee-only welfare mall
Housing and Living Stability Support	**Housing Fund Support** - Support for home purchase loans and lease deposits - Plant employees: Company housing and dormitories provided
	Housing Support for Regional Sites - Monthly rent support for new hires in Ochang and Daejeon
	Congratulatory and Condolence Support - Congratulatory/condolence funds and leave granted for various family events (weddings, 60th birthdays, etc.)
	Wedding Expense Support - Support for domestic honeymoon expenses
	Tuition Support - Tuition support for children attending middle school, high school, and university
	Childbirth and School Admission Gifts - Congratulatory gifts provided upon childbirth - Learning support gifts provided for children entering elementary, middle, high school, and university, as well as those entering the 4th grade of elementary school
Medical and Health Promotion Support	**Medical Expense Support** - Support for medical expenses of employees, spouses, children, and parents
	Annual Physical Examination - Comprehensive health checkups for employees aged 35 or older or with 5+ years of service (once a year) and their spouses (once every 2 years)
	Health Care Rooms and Occupational Healthcare Centers - Operation of health care rooms and Occupational Healthcare centers at domestic and overseas sites - Support for employee health promotion activities and primary medical care
Leisure Activity Support	**Working Hours and Leave Systems** - Flextime system - Refresh Leave (5 days) - Company Foundation Day and Union Foundation Day holidays
	Resort Facilities - Corporate condominiums available for employees and their families
	In-house Clubs - Operation and support of site-specific clubs such as hiking, music, and bowling
Retirement and Financial Stability Support	**Personal Pension Support** - Monthly company contributions for personal pension subscribers **Retirement Pension Plan** - Retirement pension plan operated in accordance with the Employee Retirement Benefit Security Act for employees with 1+ years of service

Corporate Social Responsibility

LG Energy Solution considers growing together with local communities a core value and carries out social contribution initiatives focused on supporting children and youth, community engagement, environmental protection, and employee participation. These programs are designed based on local community needs and the characteristics of each site, with the goal of creating sustainable value across various social areas, including education, welfare, safety, and the environment, through employees' voluntary participation. Through these efforts, LG Energy Solution fulfills its responsibility as a corporate citizen and contributes to the shared growth of local communities.

Supporting Children and Youth and Expanding Educational Opportunities

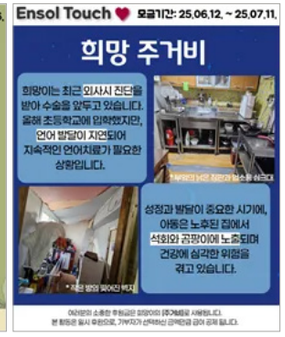
LG Energy Solution recognizes the healthy growth of future generations and the mitigation of educational gaps as important social tasks, and continues to promote education- and experience-oriented social contribution activities for vulnerable children and youth.

Supporting Underprivileged Children through Ensol Touch

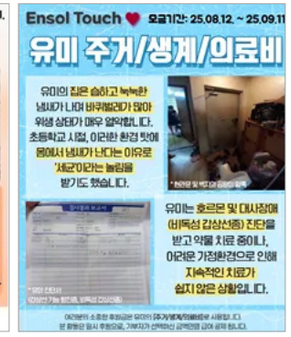
LG Energy Solution operates Ensol Touch, an ongoing employee donation program that uses in-house kiosks to share the stories of underprivileged children and encourage voluntary participation in giving. Donations raised through the program are used not only to support children's basic living needs but also to strengthen their independence through practical assistance, including education expenses, medical support, and improvements to living conditions.

[Major Fundraising Activities]









Volunteer Activities in Partnership with Community Child Centers (Hamsoli Volunteer Group)

Led by the Hamsol Volunteer Group, comprised of employee volunteers, LG Energy Solution carried out a variety of experiential volunteer activities in partnership with community child centers in the Seoul metropolitan area and Daejeon. These initiatives included visits to the War Memorial of Korea, tree-planting activities, IT education programs using drones and 3D pens, and Christmas experience programs, helping broaden children's learning experiences and support their emotional well-being.activities, tree planting (afforestation) volunteering, IT education using drones and 3D pens, and Christmas experience programs.



War Memorial Experience Program



Tree-Planting Volunteer Activity



IT Education and Hands-on Technology Experience

Junior Engineering Classroom Outreach Program (Daejeon)

LG Energy Solution operated the "Battery Village Kit-Making" program for schools participating in Daejeon's Priority Education Welfare Support Program, providing students with hands-on learning opportunities in science and technology. Delivered through employees' talent-sharing volunteer efforts, the program encouraged children's curiosity in science and technology while inspiring interest in future career paths.



Junior Engineering Classroom Outreach Program

Educational Support Programs for Overseas Communities

LG Energy Solution has carried out initiatives to improve educational infrastructure and support children with limited access to educational opportunities in communities near its global operations. These efforts include scholarship and educational support programs for secondary school students in Dunhuang, China, as well as the establishment of a multimedia classroom at an elementary school in Wanajaya, Indonesia. Through these activities, the Company contributes to improving local educational environments and building long-term partnerships with local communities.



Establishment of a Multimedia Classroom at Wanajaya Second Public Elementary School

Community Engagement and Support for Vulnerable Groups

Cheongju Hope Green Power Plant

In partnership with local governments and NGOs, LG Energy Solution completed the Cheongju Hope Green Power Plant, a 410 kW solar power facility located at the Cheongju Northern Transfer Center, in December 2020. Over its 20-year operating period, the facility is expected to reduce greenhouse gas emissions by approximately 244 tons annually (4,900 tons in total) and generate an estimated KRW 800 million to 1 billion in revenue. The proceeds from the power plant are provided to the Hope Green Energy Center and used to support welfare and energy improvement projects for vulnerable communities in the Chungcheongbuk-do region. Through this initiative, LG Energy Solution contributes to environmental protection while supporting the well-being of local communities.

Tailored Community Partnership Programs (Ochang, Cheongju, and Daejeon)

LG Energy Solution carried out a variety of community engagement activities in Ochang, Cheongju, and Daejeon, including local outings, school bag donations for the new academic year, coal briquette-sharing campaigns, volunteer work at free meal centers, and meal delivery services for seniors. In particular, the Company organized outing programs for children and seniors in Yangji-ri, Ochang, helping strengthen relationships with local residents and build a foundation for long-term community engagement.

Housing Improvement and Living Support Programs

Through the "Fix-It Duo on the Go" initiative, LG Energy Solution employees visited underprivileged households to support housing improvements, including replacing lighting fixtures, repairing window screens, and improving household facilities. Beyond providing material support, the program promotes communication with local residents and strengthens a sense of community through direct employee participation.

Electric Two-Wheeler and Battery Donation Program

In partnership with the Community Chest of Korea and ChildFund Korea, LG Energy Solution donated 109 electric two-wheelers to 56 social welfare organizations in Seoul and provided Battery Swapping Station (BSS) services and insurance coverage. The program is expected to improve transportation for frontline services, including caregiving, meal delivery, and counseling for older adults, children, and persons with disabilities. To further enhance worker safety, the Company also provided safety training and protective equipment such as helmets. Through these efforts, LG Energy Solution is strengthening community welfare services while promoting the adoption of electric mobility solutions.



Cheongju Hope Green Power Plant



Local Community Engagement Program (Yangji-ri, Ochang-eup)



Fix-It Duo on the Go

Support for Social Welfare Organizations and Public Institutions

In partnership with local fire stations in the Cheongju area, LG Energy Solution provided safety equipment, including fire detectors and fire extinguishers, and continued to support volunteer activities and donations of daily necessities in collaboration with welfare centers, nursing facilities, and childcare centers.

Support for Vulnerable Communities Overseas

Centered on its operations in Indonesia, LG Energy Solution contributed to strengthening community resilience and social solidarity through initiatives such as emergency relief for flood-affected areas, food package donations for low-income households during religious holidays, and donations of school supplies and daily necessities for orphaned children. Through these efforts, the Company continues to support vulnerable communities and promote sustainable development in the regions where it operates.



Flood Relief Supply Distribution in Indonesia

Environmental Protection and Promotion of Environmental Values

Domestic Environmental Improvement Initiatives

LG Energy Solution contributed to improving urban environments and enhancing public safety through a tree-planting volunteer activity along Anyangcheon Stream in May 2025 and the installation of solar-powered lighting at bus stops in Cheongju from June to November 2025. In particular, the installation of solar-powered lighting contributed to the creation of multiple social benefits by expanding renewable energy-based infrastructure and promoting safer community environments.



Anyangcheon Tree-Planting Volunteer Activity in Partnership with Community Child Centers

Installation of Solar Lighting at Bus Stops in Cheongju

Environmental Campaigns at Overseas Sites

In 2025, LG Energy Solution carried out environmental campaigns across its overseas operations, including in China, India, and Indonesia, to raise environmental awareness and promote a culture of resource circulation. Activities included tree-planting campaigns on Arbor Day, large-scale Tree Plantation Drives, and used clothing recycling and donation campaigns, encouraging employee participation in environmental stewardship and sustainable practices.



Tree Plantation Drive in India (Tree-Planting Campaign)

Fostering a Culture of Giving through Employee Participation

Participatory Donation Programs and Campaigns

The Company promotes employee participation in social contribution activities through initiatives such as donation funds and participation-based giving campaigns linked to internal events, creating opportunities for employees to contribute to society in their daily lives.

Blood Donation and Resource Circulation Campaigns

LG Energy Solution operates regular blood donation drives and used clothing donation campaigns, putting into practice the social values of saving lives and promoting resource circulation.



Blood Donation Event at Nanjing Site, China

Information Security

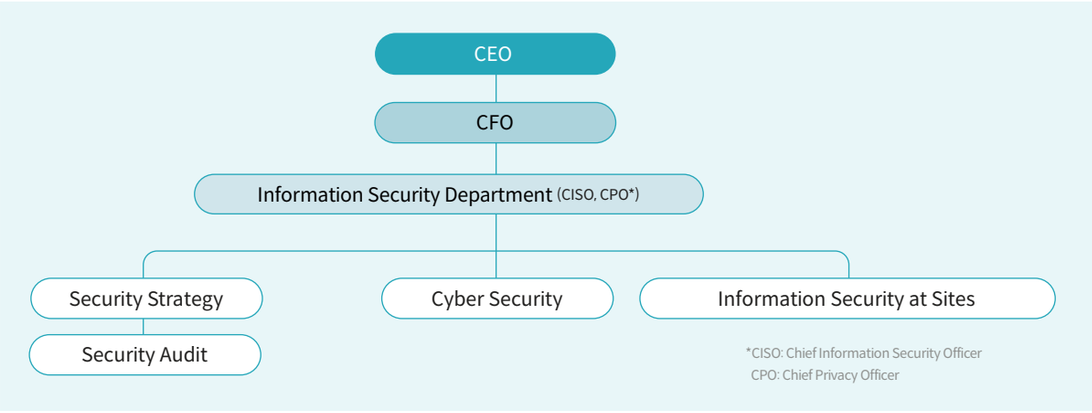
LG Energy Solution Information Security Disclosure Status

Establishment of an Information Security Framework

To ensure systematic information security management, LG Energy Solution has established and operates the following information security governance structure.

- **Appointment of CISO and CPO :** In accordance with Act on promotion of information and communications network utilization and information protection and the Personal Information Protection Act, the Company appoints a Chief Information Security Officer (CISO) and a Chief Privacy Officer (CPO) to oversee information security management, compliance with security regulations, and the protection of key information assets.
- **Information Security Organization and Council :** The Company maintains dedicated information security organizations at its headquarters and sites and operates an Information Security Council consisting of security representatives from each subsidiary. The Council regularly shares and discusses key security issues and emerging risks.
- **Executive Reporting and Budget Management :** Significant information security matters are reported to management and the Board of Directors. To continuously strengthen its information security capabilities, the Company allocates and executes annual information security investment budgets as part of its business planning process.

[Information Security Governance Structure]



Information Security Management System

LG Energy Solution defines business information, trade secrets, intellectual property, and the personal information of stakeholders—including employees, customers, and suppliers—as critical information assets and protects them through comprehensive security measures. To mitigate risks associated with information leakage and cybersecurity threats while enhancing management effectiveness, the Company has established and operates a systematic Information Security Management System based on internationally recognized standards and certifications, including ISO 27001, TISAX, and ISO 21434. The system includes periodic internal audits of IT infrastructure and information security management systems.

[Status of Information Security Certifications]

Certification	Country	Site
ISO 27001	Korea	Headquarters
		Ochang Energy Plant 1
		Ochang Energy Plant 2
		R&D Campus Daejeon
		R&D Campus Gwacheon
		R&D Campus Magok
	Germany	LG Energy Solution Europe GmbH
	China	LG Energy Solution (Nanjing) Co., Ltd.
TISAX	Korea	Headquarters
	Germany	LG Energy Solution Europe GmbH
	Poland	LG Energy Solution Wroclaw sp. z o. o.
ISO 21434	Korea	R&D Campus Gwacheon

※ ISO 27001 (Information Security Management System), TISAX (Trusted Information Security Assessment Exchange), ISO 21434 (CSMS Certification, International Standard for Automotive Cybersecurity)

Information Security Policy

LG Energy Solution complies with domestic and international information security laws and regulations to protect critical information assets, including the personal information of employees, customers, and suppliers, as well as national core technologies and key personnel. To this end, the Company systematically implements site-specific security measures across its domestic and global sites and establishes individual information security responsibilities across its entire workforce.

- **Domestic Sites :** Implementation of security measures to comply with the requirements of applicable laws and regulations, including the Act on prevention of divulgence and protection of industrial technology and the Personal Information Protection Act.
- **Global Sites :** Implementation of security controls based on the laws and regulatory requirements of the countries and regions in which the Company operates, including the EU General Data Protection Regulation (GDPR) and China's Cybersecurity Law.

Privacy Policy

LG Energy Solution has established and operates a 'Privacy Policy' to protect the personal information and rights of data subjects, including employees, customers, and visitors.
This policy is transparently disclosed on LG Energy Solution's website and internal systems, and actively guarantees the rights of data subjects by clearly defining the following key matters:

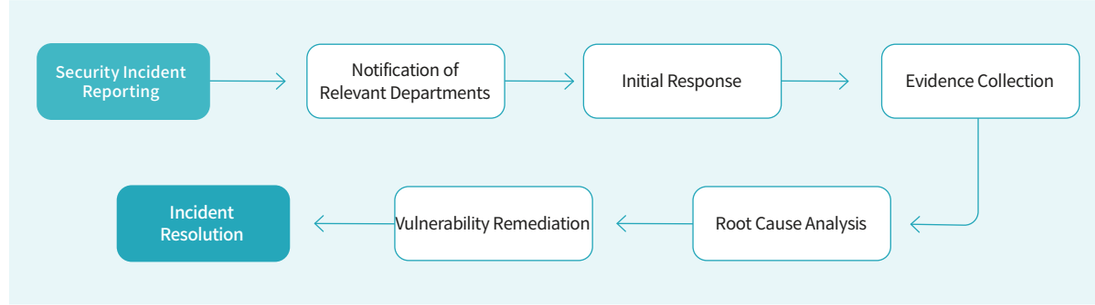
- **Purpose of Personal Information Processing and Categories of Personal Information Collected**
- **Retention and Use Period of Personal Information**
- **Provision of Personal Information to Third Parties**
- **Measures to Ensure the Security of Personal Information**
- **Rights of Data Subjects and How to Exercise Them**

Privacy Policy

Incident Prevention and Response Activities

LG Energy Solution proactively responds to cyber threats by operating a continuous security monitoring system across both office environments and production facilities. Before deploying new IT systems, the Company conducts security vulnerability assessments and provides services only after identified vulnerabilities have been addressed. To ensure business continuity, regular security vulnerability assessments are conducted by external cybersecurity specialists, while the reliability of the Company's incident response framework is validated through ISO 27001 certification.
To protect personal information, The Company conducts security reviews in advance to prevent privacy breaches and compliance-related risks. The Company also appoints a Chief Privacy Officer (CPO) to oversee all aspects of personal information protection, including inquiries, complaint handling, and remediation.
To strengthen incident response capabilities, The Company operates 24/7 real-time monitoring by integrating intrusion prevention and detection solutions. When abnormal activities are detected or security incidents are reported, specialists from the Computer Emergency Response Team (CERT) promptly coordinate with relevant departments and carry out initial response measures, evidence collection, root cause analysis, and vulnerability remediation to ensure effective incident management.

[Incident Response Process]



Information Security Awareness Programs

LG Energy Solution carries out a wide range of information security and privacy protection activities to strengthen employees' security awareness and prevent information leakage.

- **Role-Based Security Training**
  The Company provides regular online security awareness training for all employees and delivers information security training to new hires, employees preparing to leave the Company, and visitors. In addition, tailored training programs are offered based on job responsibilities, including programs for personnel handling national core and advanced strategic technologies in the first half of the year and personal information handlers in the second half.
- **Phishing Simulation Exercises**
  To prevent security incidents resulting from cyberattacks, LG Energy Solution regularly conducts phishing simulation exercises for all employees to strengthen incident recognition and response capabilities.
- **Security Awareness Campaigns**
  The Company continuously promotes key security guidelines and incident case studies through various internal communication channels, including intranet bulletin boards, entrance displays, and elevator screens, encouraging all employees to actively engage in information security and privacy protection efforts.

Governance



LG Energy Solution is strengthening its governance by streamlining governance practices and fostering enhanced stakeholder communication. To Promote Board-centered governance, the Company has established a sustainable governance framework. At the same time, LG Energy Solution proactively identifies and addresses potential business risks through its compliance management system and is committed to becoming a more sustainable company by enhancing communication and engagement with shareholders.

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133 ESG Disclosure

This page visually embodies a governance structure based on mutual checks and balances through concentric circles at the center and a shape that expands in both directions.

Corporate Governance

LG Energy Solution values Board independence as a core principle of sound governance. Through the Board composed primarily of independent directors and supported by specialized committees, the Company provides effective oversight of management while promoting transparency, protecting shareholder rights, and enhancing corporate value.

Corporate Governance Charter **Articles of Incorporation** **Guidelines on Independent Directors' Independence**

Board Composition and Independence

Ensuring Board Independence

Transparent and Effective Governance System

To maintain a transparent and effective governance system, LG Energy Solution has established the Corporate Governance Charter, which sets forth the composition and operating principles of the Board of Directors and its committees. In establishing and operating its governance structure, the Company strictly complies with the principles and procedures outlined in the Charter and related regulations and discloses key governance-related information through its official website.

Principles of Board Independence

• **Board Operations Centered on Independent Directors**

Pursuant to Article 27 of the Articles of Incorporation, the Board of Directors shall consist of no fewer than three and no more than seven directors. To maintain a stable and sound governance structure, LG Energy Solution ensures Board independence by appointing four independent directors, representing a majority (approximately 57%) of the seven-member Board, in accordance with the Guidelines on Independent Directors' Independence. In addition, the participation of external experts with diverse professional backgrounds and expertise enhances the effectiveness of Board operations and enables objective and transparent oversight of management.

• **Separation of Board Chair and CEO Roles**

At the Annual General Meeting of Shareholders held on March 20, 2025, Non-Standing Director Kwon, Bong Seok and Inside Director Lee, Chang Sil were reappointed to the Board. In addition, at the Annual General Meeting of Shareholders held on March 20, 2026, Independent Director Park, Jin-Kyu was reappointed and Independent Director Lee, Myoung Gyu was newly appointed. Subsequently, the Board appointed Independent Director Park, Jin-Kyu as Chair of the Board.As a result, LG Energy Solution has continued to maintain a governance structure that separates the roles of Board Chair and Chief Executive Officer (CEO Kim, Dong Myung) while further strengthening Board independence through the appointment of an independent director as Chair of the Board. This structure enhances the Board's oversight function and supports balanced and independent decision-making.

※ Board of Directors composition as of March 2026.

Board Members



Name	Park, Jin-Kyu	Gender	Male
Role on the Board	Chairman of the Board / Independent Director / Chair of the ESG Committee		
Term of Office	March 2023 – March 2029		
Key Experience	Current: Special Appointed Professor, Corporate-University-Research Cooperation Center, Korea University Former: 1st Vice Minister, Ministry of Trade, Industry and Energy		



Name	Kwon, Bong Seok	Gender	Male
Role on the Board	Non-standing Director		
Term of Office	March 2022 – March 2028		
Key Experience	Current: COO, LG Corp, Former: CEO, LG Electronics		



Name	Kim, Dong Myung	Gender	Male
Role on the Board	Director / Chair of the Management Committee		
Term of Office	March 2024 – March 2027		
Key Experience	Current: CEO, LG Energy Solution, Former: President, Advanced Automotive Battery Division, LG Energy Solution		



Name	Lee, Chang Sil	Gender	Male
Role on the Board	Director		
Term of Office	December 2020 – March 2028		
Key Experience	Current: CFO & CRO, LG Energy Solution, Former: Head of Business Management, Battery Business Division, LG Chem		



Name	Yeo, Mee Sook	Gender	Female
Role on the Board	Independent Director / Chair of the Internal Trade Committee		
Term of Office	June 2021 – March 2027		
Key Experience	Current: Professor, Hanyang University School of Law, Former: Presiding Judge, Seoul High Court		



Name	Han, Soongsoo	Gender	Male
Role on the Board	Independent Director / Chair of the Audit Committee		
Term of Office	June 2021 – March 2027		
Key Experience	Current: Vice President, Korean Accounting Policy Association urrent: Professor of Business Administration Korea Universityormer: Member, Accounting Audit Committee, Financial Supervisory Service		



Name	Lee, Myoung Gyu	Gender	Male
Role on the Board	Independent Director / Chair of the Nomination Committee for Independent directors		
Term of Office	March 2026 – March 2029		
Key Experience	Current: Professor, Department of Materials Science and Engineering, Seoul National University Former: Postdoctoral Researcher, Ohio State University, USA Former: Senior Researcher, Korea Institute of Materials Science		

Securing Board Diversity and Expertise

LG Energy Solution is committed to strengthening the expertise and diversity of its Board of Directors while enhancing the transparency of its corporate governance. The Company strictly adheres to diversity principles to ensure that independent directors are not concentrated within specific backgrounds or professional groups and do not represent particular interests. Accordingly, the Board comprises experts with extensive experience in areas such as finance and accounting, legal affairs, international trade, and industry, enabling in-depth deliberation on key agenda items and effective oversight of management.

- **Strict Selection of Director Candidates and Codification of Diversity Standards**

  To secure the most qualified candidates for the Board, LG Energy Solution applies rigorous selection criteria, including interviews and pre-screening procedures, to maintain a pool of highly qualified independent director candidates. In addition, in April 2023, the ESG Committee approved the Guidelines on Expertise and Diversity of the Board of Directors, establishing formal standards for ensuring diversity in Board composition.

- **Supporting Board Decision-Making and Enhancing Capabilities**

  LG Energy Solution actively provides independent directors with the information necessary to make well-informed decisions. Although the Board regulations require meeting notices to be delivered at least 12 hours in advance, the Company generally issues notices at least one business day prior to meetings and conducts pre-meeting briefing sessions to facilitate thorough review of agenda items. To further strengthen the expertise of the Board and its committees, the Company provides independent directors with access to support from employees and external experts. When new directors and Audit Committee members are appointed, LG Energy Solution conducts training on the operations of the Board and the Audit Committee, as well as directors' duties and responsibilities, to support the effective performance of their roles. In addition, the Company provides various training programs and workshops, including quarterly briefings on major business developments, to enhance independent directors' understanding of the Company. For independent directors serving on the Audit Committee, professional training on the internal accounting control system is periodically provided by external auditors.

[Audit Committee Training Programs]

Date	Training Provider	Audit Committee Members Attended	Reason for Absence	Key Training Topics
January 24, 2025	Deloitte Anjin LLC	Han, Soongsoo; Shinn, Mee Nam; Yeo, Mee Sook; Park, Jin-Kyu	None	FY2024 Financial Statements & ICFR Audit
April 29, 2025	Deloitte Anjin LLC	Han, Soongsoo; Shinn, Mee Nam; Yeo, Mee Sook; Park, Jin-Kyu	None	Q1 2025 Financial Statements & Governance Communication Requirements
July 24, 2025	Company, Deloitte Anjin LLC	Han, Soongsoo; Shinn, Mee Nam; Yeo, Mee Sook; Park, Jin-Kyu	None	Q2 2025 Financial Statements, Governance Communication Requirements, Portfolio Strategy, ESG Regulations & Strategy, ICFR and Fraud Disclosure Controls
October 28, 2025	Deloitte Anjin LLC	Han, Soongsoo; Shinn, Mee Nam; Yeo, Mee Sook; Park, Jin-Kyu	None	Q3 2025 Financial Statements & Governance Communication Requirements
January 27, 2026	Deloitte Anjin LLC	Han, Soongsoo; Shinn, Mee Nam; Yeo, Mee Sook; Park, Jin-Kyu	None	FY2025 Financial Statements & ICFR Audit

- **On-site Workshops**

  LG Energy Solution holds annual Board workshops on key topics such as business performance, the business environment, and corporate strategy to enhance directors' understanding of the industry. For example, in June 2025, the Company conducted a workshop in Indonesia, where directors participated in on-site capability-building activities, including visits to manufacturing sites and customers' production sites.

Efficient Operation of the Board of Directors

Committee-Centered Board Operations

LG Energy Solution has established and operates five committees under the Board of Directors—the Audit Committee, ESG Committee, Internal Trade Committee, Nomination Committee for Independent directors, and Management Committee—to ensure the professional and objective review of agenda items. In addition to the roles and authorities prescribed by applicable laws and regulations, each committee's charter specifies detailed responsibilities to enhance the effectiveness and expertise of its operations. As noted above, the Company has appointed an independent director as Chair of the Board and does not designate a separate Lead Independent Director. Board independence is maintained by appointing independent directors as chairs of all committees, except for the Management Committee. In principle, the Board convenes at least once per quarter, with extraordinary meetings held as necessary. In 2025, the number of meetings, resolutions, and reports reviewed by the Board and its committees was as follows. All Board and committee meetings recorded a 100% attendance rate and a 100% approval rate among directors and committee members with voting rights.

[Board and Committee Activities in 2025]

Category	Number of Meetings Held	Number of Approvals (Resolutions)	Number of Reports	Approval Rate	Attendance Rate
Board of Directors	7	25	11	100%	100%
Audit Committee	5	4	11	100%	100%
ESG Committee	2	1 case (3 agenda items in total)	5	100%	100%
Internal Trade Committee	3	9	-	100%	100%
Nomination Committee for Independent Directors	2	1	1	100%	100%
Management Committee	2	2	-	100%	100%

The following presents the committee structure established after the March 2026 Annual General Meeting of Shareholders and the subsequent Board of Directors meeting.

[Committee Composition]

Committee	Members	Composition Requirements
Audit Committee	Chair: Han, Seung Soo Members: Park, Jin Kyu; Yeo, Mee Sook; Lee, Myoung-Gyu	• At least three directors, with two-thirds or more Independent Directors and one accounting or finance expert (Audit Committee Charter, Art. 4)
ESG Committee	Chair: Park, Jin Kyu Members: Kim, Dong Myung; Yeo Mi-sook; Han Seung-soo; Lee Myung-kyu	• At least three directors, with two-thirds or more Independent Directors (ESG Committee Charter, Art. 4)
Internal Trade Committee	Chair: Yeo Mi-sook Members: Park Jin-kyu; Lee, Chang Sil; Han, Seung Soo	• At least three directors, with two-thirds or more Independent Directors (Internal Trade Committee Charter, Art. 4)
Nomination Committee for Independent directors	Chair: Lee, Myoung-Gyu Members: Park, Jin Kyu; Kwon, Bong Seok	• At least three directors, including one Inside Director or Non-standing Director and two Independent Directors (Nomination Committee for Independent Directors Charter, Art. 4)
Management Committee	Chair: Kim, Dong Myung Member: Lee, Chang Sil	• CEO and CFO (Management Committee Charter, Art. 4)

● : Chair, ○ : Member

Committee	Audit Committee	ESG Committee	Internal Trade Committee	Nomination Committee for Independent directors	Management Committee
Park, Jin-Kyu (Independent)	○	●	○	○	
Kwon, Bong Seok (Non-standing)				○	
Kim, Dong Myung (Inside)		○			●
Lee, Chang Sil (Inside)			○		○
Yeo, Mee Sook (Independent)	○	○	●		
Han, Soongsoo (Independent)	●	○	○		
Lee, Myoung Gyu (Independent)	○	○		●	

Audit Committee

LG Energy Solution ensures the independence of the Audit Committee by appointing all members as independent directors. The Committee performs key internal control functions, including auditing financial statements and operations, reviewing directors' performance of duties, examining financial conditions, and reviewing reports from external auditors. Members also receive special training from external accounting firms to enhance their expertise.

[Key Authorities and Activities of the Audit Committee]

• **Evaluation and Disclosure of Internal Control System**

The Company operates a dedicated Audit Support Team, which works with external auditors to review the structure, expertise, independence, and activities of the Board and other internal control systems. It evaluates operational adequacy and improvement initiatives, and discloses the approved Internal Control System Evaluation Report with the Business Report.

• **Review of External Auditor Independence**

The Audit Committee reviews matters that may affect the independence of external auditors. External auditors must obtain prior approval before providing non-audit services. Audit and non-audit fees and engagements are disclosed in the Business Report.

• **Approval of Key Personnel Appointments and Exercise of Voting Rights**

In accordance with the Audit Committee Regulations, the Committee has the authority to approve the appointment and dismissal of the head of the internal audit function. Committee members also vote on executive officer appointments and dismissals when related personnel matters are reviewed by the Board, strengthening independent oversight.

ESG Committee

The ESG Committee establishes policies and strategies across ESG areas and reviews mid- to long-term objectives. Four of its five members are independent directors, and the Chair is generally appointed as an independent director. The Company continues to expand the Committee's role and authority to strengthen ESG management.

• **Enhanced Compliance Oversight** (Since 2023)

The ESG Committee Regulations were revised to require regular reporting on key compliance risks, including risk management status, improvement plans, and annual activities and results. This enables the Board to more effectively oversee the Company's legal and compliance risks.

• **Review of ESG Materiality Assessment Results** (Since 2025)

Beginning in 2025, the ESG Committee's responsibilities were expanded to include reviewing ESG materiality assessment results that significantly impact sustainability management.

Internal Trade Committee

To ensure the Committee's independence and transparency, LG Energy Solution appoints independent directors to three of its four seats and, except in exceptional circumstances, appoints an independent director as Chair. The Internal Trade Committee reviews intra-group transactions requiring Board approval under applicable laws. Key areas of review include the following:

- Transactions with the Largest Shareholder and Related Parties under the Commercial Act
- Transactions Subject to Private Benefit Misappropriation Regulations
- Other Intra-group Transactions Requiring Board Approval

Nomination Committee for Independent directors

To ensure fairness in candidate selection, two of the three members of the Nomination Committee for Independent Directors are independent directors, and the Chair is also appointed from among them. The remaining seat may be held by an inside director or a non-standing director, and is currently held by the latter.

Criteria for Reviewing and Recommending Independent Director Candidates

Each year, the Committee systematically manages a pool of independent director candidates and recommends candidates with the expertise and capabilities to serve the interests of shareholders and other stakeholders. To this end, the Committee conducts the following rigorous verification process.

- **Review of Expertise and Eligibility Requirements**
  The Committee evaluates candidates' compliance with Articles 382(3) and 542-8(2) of the Commercial Act and the regulations of the Nomination Committee for Independent Directors, as well as their potential to contribute based on practical experience, through interviews with relevant departments and document review.

- **Screening for Disqualification Factors**
  In accordance with Article 542-8(2)3 of the Commercial Act. individuals who have been sentenced to imprisonment or a heavier penalty and for whom two years have not elapsed since such sentence was fully served or its execution was exempted are excluded from consideration. The Company also strictly prohibits the appointment of individuals with criminal records related to acts that could undermine corporate value or infringe upon shareholder rights, including embezzlement and breach of trust.

- **Independence Review**
  To identify any material conflicts of interest involving independent director candidates, LG Energy Solution operates relevant policies and detailed checklists for independent directors. The Company reviews transaction records between LG Energy Solution and the candidate or companies where the candidate holds concurrent positions, the existence of any controlling company subject to affiliate inclusion, the candidate's director or employee status at such companies, potential influence through executive or employee positions at companies that effectively control LG Energy Solution or its affiliates, and any disqualification grounds arising from concurrent positions at other companies, particularly as an independent director.
  The Company also reviews disclosure obligations related to the candidate's ownership of LG Energy Solution shares to ensure an objective oversight function independent from management.

Appointment Process and Board Diversity

Following a review of multiple candidates, the Committee recommends final nominees to the Board of Directors for approval. The nominees are then formally appointed at the General Meeting of Shareholders. Throughout this process, the Company promotes Board diversity by considering candidates capable of exercising independent judgment from diverse backgrounds and perspectives, regardless of nationality, gender, religion, or race.

Post-Appointment Management and Training

LG Energy Solution provides training on its policies, including share ownership considerations for independent directors upon appointment. The Company also continuously monitors their independence and potential conflicts of interest during their tenure, thereby strengthening its transparent governance structure.

Management Committee

The Management Committee reviews financing matters, including bond issuances within the Board-approved borrowing limit, branch establishment and closure, and the appointment and dismissal of managers, as well as general management matters. Composed of the CEO as Chair and the CFO as a member, the Committee supports prompt and efficient decision-making on key management issues.

Company-wide Risk Management and Oversight

To fulfill their duties of loyalty and oversight, all directors regularly receive and review reports on key business matters through the Board and its committees.

- **Financial Risks**
  Regular reviews are conducted by the Audit Committee, with significant matters approved by the Board of Directors.

- **Non-financial Risks**
  The status of ESG initiatives, compliance risk management, and improvement plans is reported to the ESG Committee and the Board of Directors for oversight.

Board Resolution Procedures and Fairness

The Board of Directors and its committees operate under a majority voting system. Unless otherwise stipulated by applicable laws, regulations, or the Articles of Incorporation, resolutions are adopted by a majority vote of directors present at a meeting attended by a majority of incumbent directors. Directors with a special interest in a particular agenda item are prohibited from voting to ensure fair and impartial decision-making.

Accountability and Performance Evaluation

Directors and Officers Liability Insurance

LG Energy Solution maintains Directors and Officers (D&O) liability insurance in accordance with international policy standards and renews the coverage annually to mitigate potential legal liabilities and support accountable management.

Board Operations and Individual Director Evaluation

Board Effectiveness Evaluation

An annual Board evaluation is conducted under the supervision of the Internal Audit Department and the Audit Committee to assess the effectiveness of the Board's oversight function. Based on applicable laws, regulations, internal policies, Board activities, and related documentation, the 2025 evaluation confirmed that the Board is effectively fulfilling its role as an internal oversight mechanism. The results were disclosed in the Annual Report.

[Key Evaluation Items and Results for the Board of Directors in 2025]

Key Evaluation Area	Evaluation Results
Expertise and Independence of Independent Directors	• Independent directors are composed of professionals with expertise in finance and accounting, law, and industry. • Independence from controlling shareholders and management is maintained. • Four of the seven Board members are independent directors, reinforcing Board independence.
Board Responsibilities	• The Board performs key responsibilities across seven areas, including matters related to the Commercial Act, the General Meeting of Shareholders, finance, strategy, and personnel, in accordance with the Board Regulations.
Effectiveness of Board Operations	• Regular and ad hoc Board meetings are held to review the appropriateness of agenda items and prevent the omission of matters requiring Board deliberation. • Agenda items and supporting materials are provided to independent directors in advance to facilitate thorough review.

Individual Director Performance and Competency Evaluation

To ensure fairness in director evaluations, LG Energy Solution comprehensively considers both quantitative and qualitative aspects of directors' performance and contributions. Evaluations of independent directors are conducted under the oversight of the Board Secretariat and the HR Department, based on criteria including Board meeting attendance, the quality of agenda review and participation in discussions, the effectiveness of recommendations, and the provision of professional advice on key management matters. For Audit Committee members, additional consideration is given to their contributions to the operation of the Company's internal control and monitoring systems, particularly in relation to major financial risks. Independent directors are evaluated on a regular basis in accordance with internal standards, and the results are reflected in the nomination and reappointment process in line with the Guidelines on the Expertise and Diversity of the Board of Directors and Article 542-8 of the Commercial Act, thereby supporting a fair and transparent appointment process. Evaluations of inside directors, including the CEO, comprehensively consider the achievement of key objectives, the Company's financial performance, and leadership effectiveness.

[Board Skills Matrix]

Category		Kim, Dong Myung	Lee, Chang Sil	Kwon, Bong Seok	Yeo, Mee Sook	Han, Soongsoo	Park, Jin-Kyu	Lee, Myoung Gyu
Competency	Leadership	○	○	○	○	○	○	○
	CEO Experience	○		○				
	Global Industry Expertise	○	○	○			○	○
	Management & Accounting		○	○		○		
	Public Policy & Administration				○		○	
	R&D	○						○
	Legal Affairs				○			
	Risk Management	○	○	○	○	○	○	○
Diversity	Year of Appointment	2024	2020	2022	2021	2021	2023	2026
	Independence				○	○	○	○
	Age	56	61	62	60	56	60	52
	Nationality	Korea	Korea	Korea	Korea	Korea	Korea	Korea
	Gender	Male	Male	Male	Female	Male	Male	Male

Board Remuneration Policy

Fair and Transparent Remuneration System

LG Energy Solution calculates and pays the remuneration of Board members in a fair and transparent manner based on clear guidelines and evaluation processes. Remuneration for the Board of Directors is determined in connection with the achievement of corporate goals and shareholder interests, and is paid in accordance with internal regulations within the limit of director remuneration approved at the general meeting of shareholders pursuant to Article 388 of the Commercial Act.

Remuneration Framework by Director Category

• **Inside Directors and Non-standing Directors**

Remuneration consists of a base salary that comprehensively considers inflation, external competitiveness, and financial performance; role-based pay according to position; and performance incentives based on business and individual performance. Performance-based remuneration is determined comprehensively by combining quantitative indicators such as sales revenue, non-quantitative indicators such as key task evaluations, and the degree of fulfillment of mid- to long-term expectations. In particular, the evaluation comprehensively reflects not only financial performance but also non-financial values, such as strategic efforts to secure future growth engines and the advancement of the business structure.

• **Independent Directors**

Remuneration is calculated considering the responsibilities and risks of performing duties, as well as the average level of the peer industry. The results of independent director evaluations are used as reference material for reappointment decisions, but to maintain the independence of their duties, differentiated remuneration based on evaluation results is not implemented.

Remuneration Disclosure

To ensure transparent corporate governance, the individual annual remuneration and Pay Mix (the composition ratio of base salary and performance-based incentives within total remuneration) of inside directors and non-standing directors are disclosed annually through the business report.

Compliance Management

Compliance Management Governance

LG Energy Solution has established a company-wide compliance management system to ensure adherence to applicable laws and regulations while upholding the highest ethical standards.

- **Compliance Officer and Dedicated Organization**

  In accordance with the Commercial Act, the Company has appointed a Compliance Officer and established the Business Ethics Office as a dedicated organization responsible for operating a systematic compliance program. The Company has also strengthened the foundation of its compliance management system by implementing Compliance Management Standards and related Enforcement Rules.

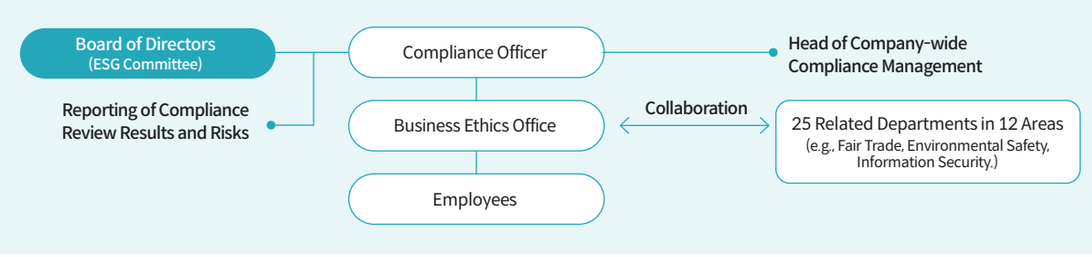
- **Compliance Review and Reporting System**

  The Compliance Officer annually reviews compliance with the Compliance Management Standards and reports the results to the Board of Directors. Beginning with the FY2024 Annual Report, the results of these reviews have been disclosed on a regular basis. The review covers the Compliance Management Standards, legal risk assessment and management framework, compliance programs and reporting systems, the independence of the Compliance Officer, and disciplinary measures for violations. Evaluation criteria incorporate the Ministry of Justice's effectiveness indicators for compliance management systems.

- **Integrated Compliance Management Through Cross-functional Collaboration**

  To enhance the effectiveness of compliance management, the Business Ethics Office works closely with Compliance Managers across 25 departments in 12 key areas, including fair trade, environmental, health and safety, and information security. A total of 1,250 compliance checklists have been developed to identify and assess risks across each area. Using these checklists, LG Energy Solution conducts annual compliance inspections at both domestic and overseas operations. In addition, the Company carries out annual compliance monitoring to identify gaps and areas for policy improvement, promoting voluntary corrective actions by relevant departments. In 2025, the Company completed voluntary compliance inspections at all domestic sites, including the headquarters, Ochang Energy Plants, and R&D Campuses (Daejeon, Gwacheon, Magok).

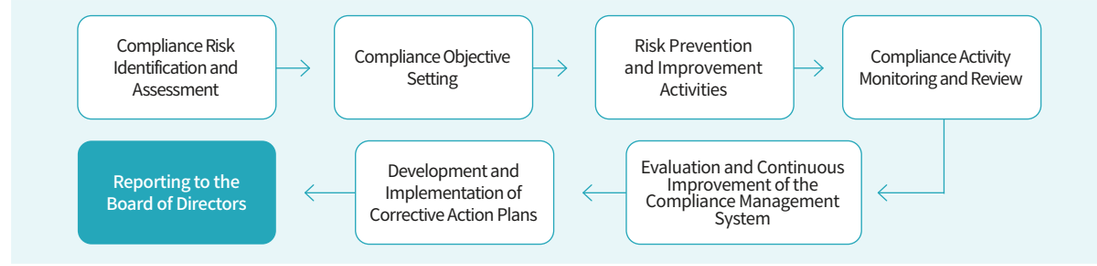
[Compliance Management Governance]



[Board Reports on Reviews of Compliance with the Compliance Management Standards]

Date	Description
March 2024	Review of 2023 Compliance Management System Operations and Reporting to the Board of Directors ① Compliance Review Results: Compliance Confirmed ② Compliance Control System Effectiveness Assessment: Effective and Properly Operated.
March 2025	Review of 2024 Compliance Management System Operations and Reporting to the Board of Directors ① Compliance Review Results: Compliance Confirmed ② Compliance Control System Effectiveness Assessment: Effective and Properly Operated.
March 2026	Review of 2025 Compliance Management System Operations and Reporting to the Board of Directors ① Compliance Review Results: Compliance Confirmed ② Compliance Control System Effectiveness Assessment: Effective and Properly Operated.

[Compliance Management Framework]



Compliance Management System

Global Compliance Management Framework and Certification Status

LG Energy Solution operates a comprehensive compliance management framework by developing compliance expertise, establishing and updating policies and guidelines, operating dedicated compliance systems, and continuously monitoring and evaluating compliance activities. In 2021, the Company became the first battery manufacturer to obtain ISO 37301 certification, the international standard for compliance management systems. Following successful surveillance audits by an independent third-party certification body in 2023, the Company continues to strengthen the effectiveness and sustainability of its compliance management system through ongoing certification renewals and continuous improvement efforts.

[ISO 37301-Certified Sites]

Country	Site
Korea	Headquarters
	Ochang Energy Plant 1
	Ochang Energy Plant 2
	R&D Campus Daejeon
	R&D Campus Gwacheon
	R&D Campus Magok
China	LG Energy Solution (Nanjing) Co., Ltd.
	LG Energy Solution Battery (Nanjing) Co., Ltd.
	LG Energy Solution Technology (Nanjing) Co., Ltd.

Compliance Risk Inspection and Prevention

LG Energy Solution proactively manages compliance risks across all areas of its business through a board-led compliance governance framework. To foster a strong culture of compliance, the Company provides continuous support programs for employees and operates an AI-based monitoring system, enhancing the effectiveness, efficiency, and transparency of compliance management.

- **Strengthening Compliance Governance and Board Oversight**
  In April 2023, LG Energy Solution amended its ESG Committee Regulations to strengthen oversight of compliance management. The ESG Committee reviews key compliance matters, including compliance management policies and major risk management activities, and reports the outcomes to the Board of Directors annually. For six key compliance risks—collusion, supplier technology misappropriation, leakage of confidential management information, violations of the Serious Accidents Punishment Act, misuse of material non-public information, and personal data protection breaches—detailed inspection and improvement results are regularly reported to the ESG Committee and the Board of Directors to reinforce executive-level risk prevention and management.

- **Strengthening Post-Risk Management**
  To prevent the recurrence of similar compliance issues, LG Energy Solution implements corrective measures such as employee training, process improvements, and disciplinary actions. In addition, potential compliance risks are addressed proactively by providing legal reviews, guidance, and compliance consultations for business activities involving legal or regulatory concerns.

- **AI-based Compliance Monitoring**
  Since the second half of 2025, LG Energy Solution has operated an AI-based monitoring system to proactively identify and respond to compliance risks. The system automates the detection of potential risk signals across internal networks, improving the efficiency of compliance monitoring activities while enhancing transparency and reducing administrative costs.

Embedding Compliance Capabilities

Publication of Practical Compliance Guidelines

LG Energy Solution fosters a culture of compliance through various initiatives, including CEO compliance messages and the publication of compliance guidelines. All employees are expected to comply with the guidelines, which serve as the Company's highest standard of conduct and reflect core values such as integrity, fair competition, social responsibility, and shareholder value enhancement. In 2023, the guidelines were comprehensively revised to address emerging compliance issues and were distributed company-wide in 2024 to further enhance employees' awareness and understanding of compliance management.

Regular Compliance Training

LG Energy Solution conducts annual compliance training for all domestic and overseas employees to strengthen compliance awareness and practical capabilities. Developed in collaboration with related functions, including Human Resources, Fair Trade, Ethics Management, and Information Security, the program is operated as a mandatory company-wide course and updated annually to address key compliance risks.
In 2025, a total of nine courses (four legally required and five mandatory internal courses) were delivered in three sessions from May to September. Through the use of the Company's in-house learning platform, "Ensol Campus," operational efficiency and learning accessibility were further enhanced. In addition, related departments provide tailored online and in-person training programs based on specific risk areas, job functions, and employee levels.

[2025 Compliance Training Programs]

Category	Training Course
Legally Required Training	Protection of National Core Technologies
	Information Security and Personal Information Protection
	Disability Awareness in the Workplace
	Prevention of Workplace Sexual Harassment
Mandatory Internal Training	Compliance Guidelines Every Ensol Employee Should Know
	Battery Hazards and Safe Handling Practices
	Prevention of Workplace Harassment
	Prevention of Technology Misappropriation under the Subcontracting Act
	Understanding ESG and Its Strategic Direction

Operation of a Compliance Violation Management Process

Compliance Reporting Channels and Management

LG Energy Solution provides multiple channels for reporting compliance-related concerns, including the CEO communication channel (EnTalk) and internal reporting systems (Cyber Whistleblower and Q Speak-Up), which are available at all times. Reportable matters include the leakage of management information, infringement of third-party intellectual property rights, misuse of material non-public information, unfair transactions involving business partners, and legal violations by employees. Reported cases are reviewed and investigated through close collaboration between the Business Ethics Office and the Ethics Management Department.

Response to Compliance Violations and Monitoring Activities

Where investigations confirm legal risks or employee misconduct, LG Energy Solution takes appropriate disciplinary actions based on thorough legal review and, where necessary, pursues strong legal measures, including civil litigation and criminal complaints. In 2025, the Company utilized its internal IT monitoring system to identify unusual activities in emails and messaging platforms, detecting and addressing violations such as the misuse of material non-public information and the leakage of management information.

Whistleblower Protection and Reward Program

LG Energy Solution is committed to protecting whistleblowers by strictly safeguarding their anonymity. No information that could reveal or imply a whistleblower's identity is disclosed without prior consent. If any disadvantage arises due to a failure to fulfill protection obligations, appropriate remedial measures are taken to restore the whistleblower's position and rights. In addition, the Company operates an Anti-Corruption Reporting Reward Program to enhance business transparency and promote the prevention of corruption and misconduct.

[Compliance Reporting Process]



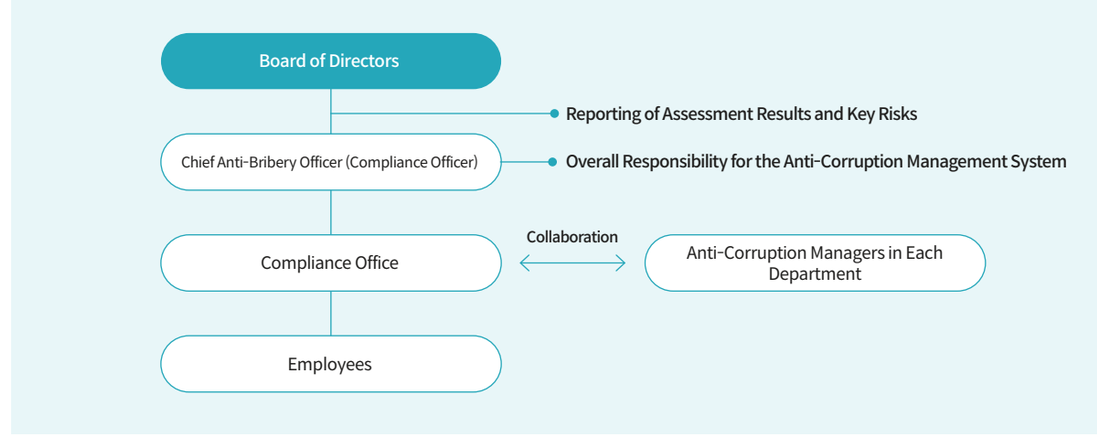
Anti-Corruption Management Framework

LG Energy Solution adheres to a firm principle of zero tolerance for any form of corruption, bribery, or money laundering. To strengthen the trust of customers and stakeholders in its integrity and honesty, the Company enhances corruption risk management through its compliance management system.

- **Operation and Management of Anti-Bribery Management System**

  In 2024, LG Energy Solution designated the Compliance Officer as the Chief Anti-Corruption Officer, clarifying responsibility for the oversight and operation of the Company-wide Anti-Corruption Management System. The Business Ethics Office serves as the dedicated organization supporting the Chief Anti-Corruption Officer and overseeing system implementation.
  The performance of the Anti-Corruption Management System is reported annually to the Board of Directors and the Chief Executive Officer. In addition, Anti-Corruption Managers across respective departments under the Chief Anti-Corruption Officer continuously monitor amendments to relevant domestic and international laws and regulations, as well as changes in regulatory policies. Identified legal obligations are assessed from a risk management perspective, and tailored control measures are developed and implemented accordingly. The Company also continuously carries out corrective actions to further enhance the effectiveness of the system.

[Anti-Corruption Governance Structure]



Global Certification and Risk Assessment

LG Energy Solution obtained ISO 37001 certification, the international standard for anti-corruption management systems, in 2024 and successfully completed a surveillance audit in 2025 to ensure the effective operation of its Anti-Corruption Management System. Building on the certification experience at its headquarters, the Company has actively supported the establishment of anti-corruption management systems across its overseas subsidiaries. As a result, its Poland subsidiary also obtained ISO 37001 certification in September 2025. In accordance with its Anti-Corruption Management System, LG Energy Solution conducts regular corruption risk assessments that reflect the operating environments of its domestic and overseas sites. The assessments confirmed that no significant corruption risks or high-risk departments were identified. However, as the Company continues to expand into new business areas, proactive monitoring is conducted to identify and manage potential emerging corruption risks and related departments.

[ISO 37001 (Anti-Bribery Management System) Certification Status]

Country	Site
Korea	Headquarters
	Ochang Energy Plant 1
	Ochang Energy Plant 2
	R&D Campus Daejeon
	R&D Campus Gwacheon
	R&D Campus Magok
Poland	LG Energy Solution Wroclaw sp. z o.o.

Anti-Bribery Policy **Global Anti-Bribery Guidelines**

Establishment and Embedding of Anti-Corruption Policies

LG Energy Solution has established and implemented anti-corruption policies, operational regulations, guidelines, and checklists in compliance with applicable domestic and international laws and regulations, including the United Nations Convention against Corruption (UNCAC) and international anti-bribery laws. Based on this framework, the Company carries out the following key activities:

- **Enhancing Employee Awareness**
  The Company obtains annual commitments from all employees to comply with anti-corruption laws and regulations and requires completion of anti-corruption training programs.

- **Supply Chain Risk Management**
  The Company collects Ethical Management Commitments from all suppliers and operates a supply chain due diligence process to effectively manage corruption-related risks associated with business partners.

Fair Trade Management Framework

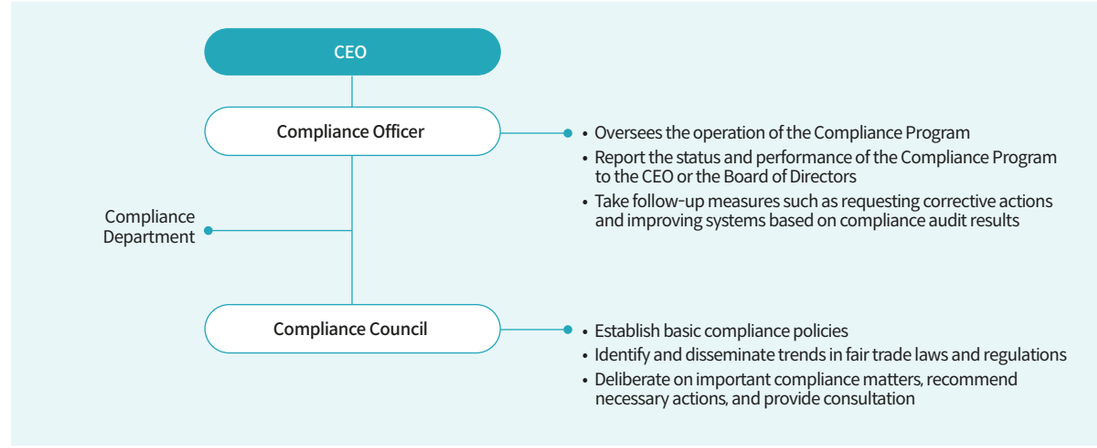
Establishment of a Fair Trade Compliance Program and Governance

LG Energy Solution operates a Compliance Program (CP) to promote fair market competition and foster a culture of voluntary compliance.

- **Dedicated Organization and Decision-Making Structure**
  The Company has established an institutional foundation for its CP by implementing related regulations and operating guidelines. In addition, a Compliance Officer responsible for overseeing the Compliance Program, delegated with full authority by the Chief Executive Officer, oversees company-wide compliance and preventive activities. To strengthen governance, LG Energy Solution operates a Compliance Council, chaired by the Compliance Officer and comprising leaders from relevant departments, to provide guidance and consultation on CP implementation. The Fair Trade Team serves as the dedicated organization responsible for supporting CP activities and enhancing their effectiveness. The Compliance Officer also reports fair trade risk management activities to the ESG Committee on a regular basis, promoting transparency and strengthening stakeholder trust.

- **Embedding Fair Trade Values**
  LG Energy Solution reinforces a culture of voluntary compliance by obtaining annual fair trade compliance pledges from all employees. In addition, the Company published the 2025 Fair Trade Compliance Guidebook, which provides practical guidance for addressing a wide range of situations employees may encounter in the course of their work.

[CP Governance Structure]



Proactive Risk Management and Implementation Process

LLG Energy Solution operates an integrated framework of training, monitoring, and risk controls to ensure compliance with fair trade laws and internal guidelines throughout business operations.

- **Risk Control and Pre-Review Process**

  Through regular risk assessments, the Company identifies fair trade risks and implements appropriate measures to avoid, mitigate, or eliminate them. In addition, a Pre-Review Process requires employees to consult with the Fair Trade Team when potential legal or regulatory concerns arise, helping prevent compliance violations in advance.

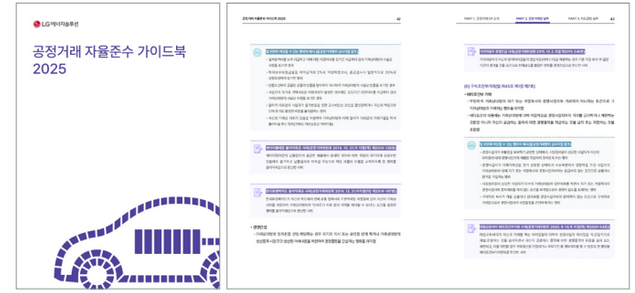
- **Training and CP Effectiveness Assessment**

  In 2025, LG Energy Solution provided tailored fair trade training to 10,230 employees and role-specific personnel. To continuously enhance its Compliance Program (CP), the Company established Guidelines for CP Effectiveness Assessment and conducts regular evaluations led by the Fair Trade Team. Based on assessment results and employee feedback, improvement measures are developed and implemented to strengthen CP operations. Feedback, including training satisfaction results, is also incorporated into the following year's training plan to improve program effectiveness.



[2025 Fair Trade Training Programs]

Training Period	Target Audience	Training Course	Training Content	Participants	Duration
June	Procurement	Understanding the Subcontract Act	Key Compliance Considerations under the Subcontracting Act	50	1 hour
August	Marketing	Cartel Prevention Training	Global Cartel Regulations and Recent Violation Cases	401	1 hour
September	Company-wide	Mandatory Compliance Training	Prevention of Technology Misappropriation under the Subcontracting Act	9,675	10 mins
Year-round	Expatriates	Pre-Assignment Training for Expatriates	Prevention of Cartel Conduct and Supplier Technology Misappropriation at Overseas Sites	104	1 hour



Fair Trade Compliance Guidebook

Supply Chain Protection and Shared Growth Performance

LG Energy Solution promotes fair transactions with suppliers by continuously enhancing its technology protection system and operating transparent dispute resolution procedures.

- **Enhancing the Technology Protection System**

  To prevent violations of the Subcontracting Act and technology misappropriation, the Company continuously improves its Supplier Technology Protection System and develops manuals reflecting the latest regulatory requirements to strengthen practical implementation.

- **Voluntary Dispute Resolution**

  To resolve disputes arising during contract execution and termination based on the principles of mutual growth and cooperation, LG Energy Solution established a Voluntary Dispute Resolution Committee in March 2023. Through proactive management and transparent operations, the Company has maintained zero disputes filed with the Committee as of March 2026.

Risk Management

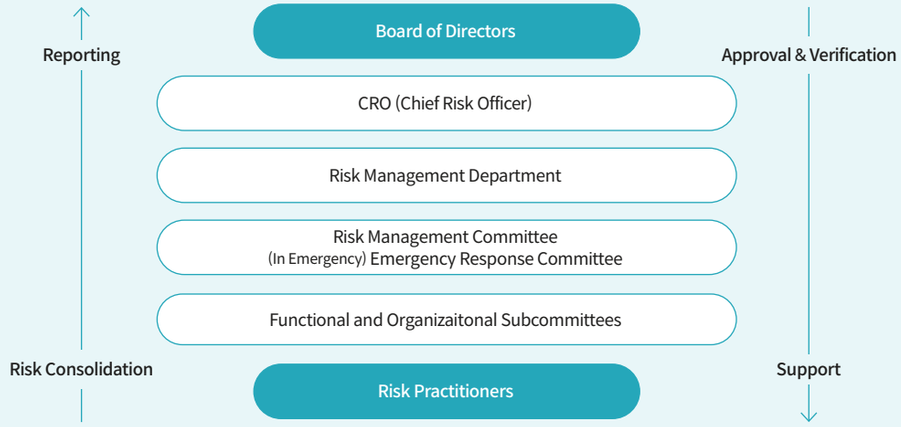
Risk Management System

Company-wide Risk Management Governance

LG Energy Solution has appointed and operates a Chief Risk Management Officer (CRO) under the Board of Directors, the highest decision-making body, to effectively manage company-wide risks. In addition, for key risk areas, the Chief Quality Officer (CQO) manages the product quality sector, and the Chief Production Officer (CPO) manages the environmental health and safety sector, both appointed by the Board of Directors to perform professional risk management.
The CRO serves as the control tower for crisis management depending on the situation as follows.

- **Normal Operations** (Chair of the Enterprise Risk Management Committee)
  Promotes the importance of company-wide risk management by area and pre-identifies potential crisis situations.

- **Emergency Situations** (Chair of the Enterprise Emergency Committee)
  Convenes and dissolves the Emergency Response Committee, the highest decision-making body in the event of an enterprise-wide crisis, determines response plans to overcome crises, and oversees company-wide communication and external activities.



Roles and Responsibilities of Risk Management Functions

LG Energy Solution assigns segmented roles and responsibilities not only to the Board of Directors and management but also to each working-level department for more effective risk management as follows.

Category	Department	Key Roles and Responsibilities
First-line Risk Management	Departments in Charge of Each Area	• Directly identify and manage risks in the course of daily operations • Implement risk control measures in compliance with internal policies, procedures, and regulations
Risk Management Oversight & Support	Crisis Management Team, Compliance Office*	• Establish policies and oversee the risk management framework • Conduct risk and compliance management training and support implementation • Monitor implementation status and carry out improvement activities
Independent Review & Evaluation (Audit)	Jeong-Do Management Division, Compliance Office*	• Perform internal audit functions • Review the adequacy and effectiveness of the risk management system (once a year)

* The Compliance Office reviews the adequacy and effectiveness of the compliance risk management system based on its independent authority regarding legal violations. In addition, to secure independence for each function, it verifies the effectiveness of the management system based on objective standards, such as by running external certifications in parallel.

Crisis Response Process

LG Energy Solution operates a systematic company-wide emergency response system based on response manuals when a crisis occurs. If a situation is determined to be an “Company-wide Crisis” according to pre-defined levels for each accident and crisis type, the Emergency Response Committee is convened through a rapid reporting and communication system.

- **Operation of the Emergency Response Committee**
  A comprehensive situation room is operated with the CRO (or the C-level executive in charge) as the chairperson. It supports accident handling and recovery based on close communication with the site, and monitors the implementation process of recurrence prevention measures and verifies the results after the crisis situation ends.

- **Activities of the Risk Management Department**
  The dedicated organization under the CRO analyzes and catalogs changes in crisis situations and damage impacts. In addition, it develops response scenarios, including the decision-making process of the Emergency Response Committee, and conducts regular mock drills to enhance enterprise-wide crisis response capabilities.

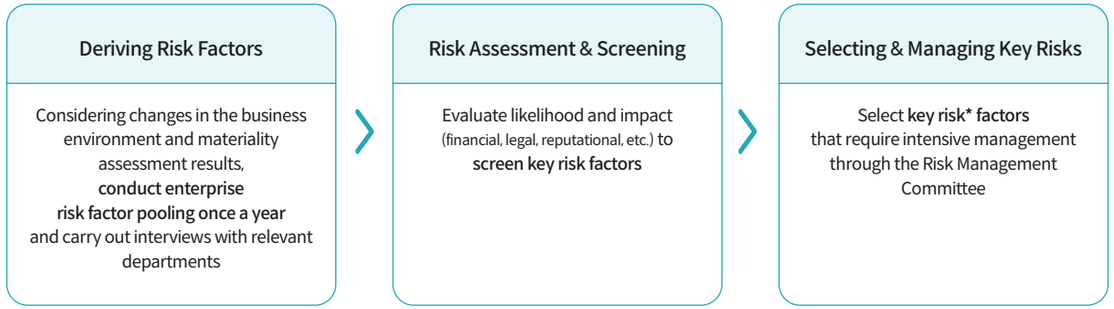
- **Advancing the Response System and Preventing Recurrence**
  The Company continuously improve crisis response manuals and systems, and preemptively prevent the recurrence of similar crises by horizontally sharing identified improvement items across the company.

Risk Management Process

Risk Identification and Management Process

LG Energy Solution operates an enterprise risk management system to preemptively respond to potential risks and systematically carry out identification and mitigation activities. Risk factors are derived once a year (Risk Pooling) through materiality assessments, interviews with relevant departments, and detailed analyses by area (investment, business plans, ESG, external factors, etc.). Afterwards, key risk areas are selected by quantitatively evaluating the likelihood and magnitude of each factor. The risk evaluation matrix is established by comprehensively considering the business structure, value chain specificities, and industry and market trends, and is continuously advanced through scenario and sensitivity analyses as necessary. For the selected key risk areas, key risks are derived in detail, and mitigation plans and functional business processes are established for close management. The entire process, from risk identification (Risk Review) to monitoring the implementation of mitigation plans and evaluating effectiveness, is conducted at least twice a year, and the results are reported to the Risk Management Committee once every half year. In addition, key risk management tasks for each area are reflected in the key performance indicators (KPIs) of major department heads and linked to performance compensation, actively encouraging proactive risk management activities by management.

[Key Risk Identification and Management Process]



* Approved by the CRO and the Risk Management Committee, with dediated subcommittees established to manage key risks.

Key Risks

LG Energy Solution conducted risk-related interviews with major departments to derive company-wide key risks and establish an effective crisis management and response system. Through this interview, the Company derived a Risk Map based on the risk hierarchy of 'Macro Risk - Business Environment Risk - Business Crisis' as of 2025, and selected key crises.

Product Quality Risk Management

LG Energy Solution recognizes battery fire incidents occurring in product operating environments, such as electric vehicles (EVs) and energy storage systems (ESS), as a significant risk. Such incidents not only threaten consumer safety and property but may also undermine public confidence in the energy industry. To minimize the likelihood of safety incidents, the Company works closely with major customers and safety authorities in each country. In addition, LG Energy Solution collaborates with external research institutions to analyze the causes of fires from multiple perspectives and continues company-wide efforts to mitigate quality risks, ranging from the application of risk diagnostic technologies during product use to voluntary product recalls.

Policy and Regulatory Risks

LG Energy Solution recognizes changes in the global policy and regulatory landscape as a key risk amid evolving geopolitical conditions and the dynamic nature of the energy industry. While policy developments related to the EV and battery industries may create new business opportunities, they can also pose significant challenges to business operations and strategic decision-making.

To address these risks, LG Energy Solution strengthens its proactive response capabilities through systematic compliance risk monitoring, which identifies regulatory risks and assesses their potential impacts. The Company also continuously enhances internal processes and capabilities by evaluating its preparedness and response systems. In Korea, regulatory risks are further mitigated through rigorous compliance reviews covering environmental regulations, including the Clean Air Conservation Act, the Water Environment Conservation Act, the Wastes Control Act, and the Chemical Substances Control Act.

Environmental Health and Safety Risks

As LG Energy Solution continues to expand its global business, the Company is committed to providing a safe working environment across all operations and ensuring the safety of local communities. Environmental, health and safety risks associated with new site construction and equipment installation are identified in advance and managed through preventive measures. For sites that have been in operation for nearly 20 years, potential risks are proactively identified and addressed through rigorous assessments and improvement activities. In addition, LG Energy Solution continuously identifies applicable laws and regulatory requirements in each country of operation and carries out ongoing improvement initiatives to ensure compliance.

Emerging Risks

LG Energy Solution identifies and monitors risk factors that could significantly impact the business environment from a long-term perspective. The Company also strives to minimize business uncertainty by establishing risk mitigation measures and reviewing their effectiveness.

Global Supply Chain and Business Continuity Risks due to Expansion of Geopolitical Trade Regulations	
Description	With the recent intensification of geopolitical conflicts driven by economic security concerns, LG Energy Solution recognizes structural changes in the global trade and supply chain environment as a long-term potential risk. Unlike past trade regulations, recent import and export control measures—such as forced labor prevention laws, advanced technology export controls, and customs restrictions for national security reasons—are increasingly linked to political and diplomatic developments and are often implemented in an uncertain and selective manner. As these regulations are difficult to predict in terms of application standards and implementation timing, they cannot always be addressed through conventional compliance management alone. Accordingly, LG Energy Solution recognizes unprecedented geopolitical trade restrictions and supply chain disruptions as potential enterprise-wide risks.
Business Impact	If this risk materializes, it could lead to disruptions in the procurement of raw materials and components, restrictions on product imports and exports in certain countries, and limited access to critical information required for technology transfer and business operations. In the short term, this may result in production delays and customer delivery disruptions. In the medium to long term, changes in regional production strategies, investment priorities, and cost structures may affect long-term business strategies and competitiveness.
Risk Management	To respond to these potential risks, LG Energy Solution has established and operates a proactive management system for geopolitical trade regulations. Along with monitoring major policy developments, including forced labor prevention laws and export control regulations, the Company continues to strengthen supply chain traceability and related document management systems. Geopolitical risk factors are also incorporated into key procurement and investment decision-making processes, while internal inspections and scenario-based response exercises are conducted to prepare for potential supply disruptions. In addition, through collaboration among procurement, legal, and risk management functions, LG Energy Solution continues to strengthen its ability to respond to uncertain external developments and enhance business continuity.

Risk of Simultaneous Shutdown of Global Production Facilities due to Complex Natural Disasters	
Description	LG Energy Solution recognizes the increasing likelihood of multiple natural disasters occurring simultaneously or sequentially across different regions as a potential risk. This represents a new risk pattern that cannot be sufficiently managed through conventional approaches focused on individual regions or specific disaster types. As its global production footprint expands, some facilities are exposed to multiple natural disaster risks, including earthquakes, floods, heatwaves, heavy snowfall, and typhoons. These complex disasters are highly likely to cause disruptions not only to manufacturing facilities but also to critical infrastructure, allowing their impacts to spread rapidly across operations.
Business Impact	If this risk materializes, simultaneous or sequential shutdowns of multiple production facilities could result in global production adjustments and supply disruptions. In addition to facility damage caused by natural disasters, delays in infrastructure recovery may prolong production interruptions. Over the medium to long term, the risk may influence business continuity management, production portfolio diversification strategies, recovery priorities, and investment directions, affecting long-term operational strategies and capital allocation.
Risk Management	To address these potential risks, LG Energy Solution is strengthening its enterprise-wide resilience management system beyond business unit-level responses. The Company assesses and quantifies natural disaster exposure at each global production site through NATCAT evaluations and reviews critical business functions, recovery time objectives, and minimum production capacity requirements in advance. Regular inspections and emergency response exercises are conducted to support rapid decision-making and resource allocation during disasters. In addition, LG Energy Solution continues to strengthen business continuity through an integrated crisis management framework covering emergency communication networks, infrastructure response plans, logistics plans, and communication protocols.

Crisis Management and Response Activities

Establishment of a Business Continuity Management System

LG Energy Solution continuously strengthens its crisis response capabilities to ensure business continuity and validates its management system through internationally recognized certifications. The Company adopted the ISO 22301 methodology to assess its ability to restore critical functions and resume operations following disruptions. Based on this framework, it identifies business continuity risks and operates a business continuity management system (PDCA Cycle) to ensure effective response strategies and procedures.

[Major Certification Status Related to Business Continuity]

- 2021: Obtained ISO 22301 international standard certification for domestic sites (Headquarters, Ochang Energy Plant)
- 2023: Received Excellent Enterprise in Disaster Reduction Certification supervised from the Ministry of the Interior and Safety
- 2025: Successfully passed the ISO 22301 surveillance audit and maintained certification

LG Energy Solution will continue to enhance its business continuity management processes and response capabilities and gradually expand ISO 22301 certification to overseas sites to establish a global crisis management framework.

Company-wide Crisis Response Mock Drills

LG Energy Solution conducts annual crisis response drills to strengthen company-wide preparedness. In 2025, the Company carried out a simulation involving a major incident affecting overseas business travelers, including activation of the Emergency Response Committee and department-level response exercises with its Poland site. The Company will continue to enhance its drills through diverse crisis scenarios and repetitive training to strengthen employees' crisis awareness and response capabilities.

Improving Incident Reporting and Response Systems

As the impact of crisis events continues to grow, LG Energy Solution is strengthening its company-wide crisis management framework to enable timely and transparent response. Following a 2025 U.S. immigration investigation related to visa compliance at the HL-GA Battery Company construction site in Georgia, the Company comprehensively reviewed its visa policies and internal controls for overseas business travel. Based on this review, LG Energy Solution enhanced its management framework to proactively respond to changes in global immigration policies and prevent similar incidents.

- **Establishment of Visa Standards**
  Established and communicated a policy requiring a B-1 visa for business travel to the United States.
- **Systematic Visa Process Management**
  Improved visa application procedures and expanded support programs, including group interview assistance.
- **Enhanced Pre-trip Review**
  Strengthened review procedures for business travel purposes and the scope of planned activities.

Fostering a Company-wide Risk Management Culture

Risk Management Training

LG Energy Solution promotes various initiatives to strengthen employees' risk management awareness and capabilities.

- **Training for Crisis Management Personnel**
  The Company requires employees responsible for crisis management activities to complete annual company-wide risk management training.
- **Company-wide Case Sharing**
  Risk-related cases are shared with all employees on a quarterly basis to enhance risk awareness and promote proactive change management.

Risk Management by Product Development Stage

LG Energy Solution conducts business feasibility and risk analyses starting from the development and project planning stages to preemptively verify product and business-related risks. Relevant organizations, including PM, development, sales, quality, procurement, and equipment/process, preemptively inspect potential risks across all areas, such as design certification, planning, investment, and cost, in accordance with the APQP (Advanced Product Quality Planning) guide.
In addition, LG Energy Solution strictly operates a gating process that suspends progression to the next stage when risks remain unresolved or mitigation plans are deemed insufficient at any development gate. This helps minimize risks throughout the product development process and ensures stable project execution.

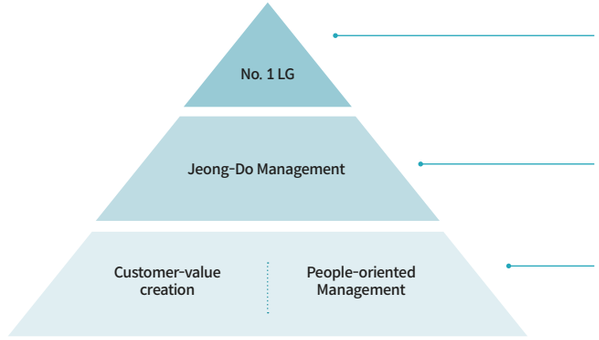
[Product Development Stage Risk Management Process]

Gate	Description
BR (Business Review)	A stage to review business feasibility prior to full-scale development, deriving risks for each stage based on customer requirements and the company's development history.
CV (Concept Verification)	Reviews the feasibility of resources, product design concepts, and development schedules to meet customer requirements and delivery deadlines, and establishes development targets.
DV (Design Verification)	Designs and verifies products to achieve the development and quality targets established in the previous stage, finalizing the product design for mass production.
PD (Process Development)	Verifies whether development targets have been achieved based on the processability and certification evaluation results of products manufactured in the mass production process.
PV (Production Validation)	Conducts a final evaluation of process and quality reproducibility and mass-producibility for products that have completed development quality verification to decide whether to apply them to mass production.

Jeong-Do Management

LG Energy Solution pursues 'Jeong-Do Management' in accordance with the Code of Ethics. 'Jeong-Do Management' refers to LG's unique way of behavior that builds capabilities continuously based on ethical management to compete fairly. Going a step further than ethical management, it aims to create substantial results based on the capability to win in competition.

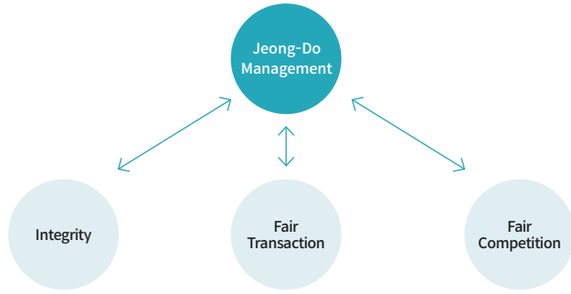
LG Way



Vision
The ultimate goal of LG is to be recognized as the market leader in business performance as well as in management practices.

Behavioral Mode
Ethical management and code of conduct to enable capability development and fair competition

Management Principles
The fundamental organizational principle guiding LG from beginning as a firm



Behavioral Principles		
Work transparently according to principles and standards.	Provide equal opportunities and fair treatment in every transational relationship.	Improve capabilities with which one can fairly win the competition.

Jeong-Do Management Governance

LG Energy Solution has established a Jeong-Do Management organization to embed ethical standards across the Company and forster the capabilities needed to achieve success through fair and ethical competition.

[Jeong-Do Management Governance Structure]



- Whistleblower investigation
- Prevention of sexual harassment/workplace harassment
- PR/Education/Internal capability building
- Operation of Jeong-Do Management infrastructure and systems

- Management audit
- Post-audit implementation monitoring
- Support for whistleblower investigation

- Jeong-Do Management audit in Europe, China, and North America
- Post-audit implementation monitoring
- Support for whistleblower investigation

- Pre-emptive inspection of key risks
- Establishment of DX-based monitoring system

Code of Ethics

LG Energy Solution respects the principles of a market economy based on free and fair competition and pursues mutual benefits with stakeholders through trust and cooperation. Accordingly, the Company has established the Code of Ethics as the standard for conduct and value-based decision-making for all employees and is committed to its active implementation.

[LG Code of Ethics]

Responsibilities and obligations to customers
- Respecting Customers
- Creating Value
- Providing Value

Fair Competition
- Free Competition
- Compliance with Laws and Regulations

Fair Transactions
- Equal Opportunity
- Fair Transaction Procedures
- Pursuing Mutual Growth

Basic Ethics for Employees
- Basic Ethics of Employees
- Accomplishing Missions
- Self-development
- Fair Handling of Job
- Avoiding Conflict of Interests with the Company

Corporate Responsibilities for Employees
- Respecting Humanity
- Fair Treatment
- Promoting Creativity

Responsibilities to the Nation
- Rational Business Development
- Protecting Stockholders' Returns
- Contribution to Social Development
- Conservation of the Environment

[Detailed Guidelines for Practice]

LG Energy Solution has separately established and operated detailed guidelines for practice based on the LG Code of Ethics.

- Guidelines on Employees' External Activities
- Guidelines on Entertainment, Gifts, and Other Benefits

Jeong-Do Management Risk Prevention Activities

Pre-identification of Jeong-Do Management Risks

LG Energy Solution has established and operates a continuous monitoring system for Ethics Management risks to proactively prevent ethical misconduct, including corruption and bribery. Dedicated risk managers are assigned within relevant departments responsible for high-risk activities, including fair trade, government and public affairs involving the National Assembly and National Tax Service, environment, health and safety (EHS), finance and tax functions such as property tax management, and media relations. Through this system, the Company continuously monitors and proactively manages ethical risk factors that may arise in the course of business operations, reinforcing transparent Ethics Management practices.

Promoting and Embedding an Jeong-Do Management Culture

LG Energy Solution operates systematic training and communication programs to promote and embed Ethics Management practices. Regular training is provided to employees and suppliers both in Korea and overseas to foster a strong culture of Ethics Management. In addition, all employees participate in an annual Ethics Management Pledge to reinforce their responsibility for upholding Ethics Management principles.

- **Diversifying Ethics Management Training Programs**
  To encourage employees to put Ethics Management into practice, LG Energy Solution provides both in-person and online training. In 2025, online training on the Prevention of Workplace Sexual Harassment and Harassment was delivered to all employees, including those at global operations. For organizations requiring more intensive training, in-person sessions were combined with live virtual training to enhance effectiveness.

- **Strengthening Internal Campaigns and Communication Activities**
  Through the "Ensol Clean Campaign," involving employees across domestic and overseas operations, LG Energy Solution encourages the voluntary practice of Ethics Management. The Company also operates an internal Ethics Management portal that promotes training, provides practical guidelines and case studies of violations, and offers one-on-one consultation channels, helping strengthen a company-wide culture of Ethics Management compliance.

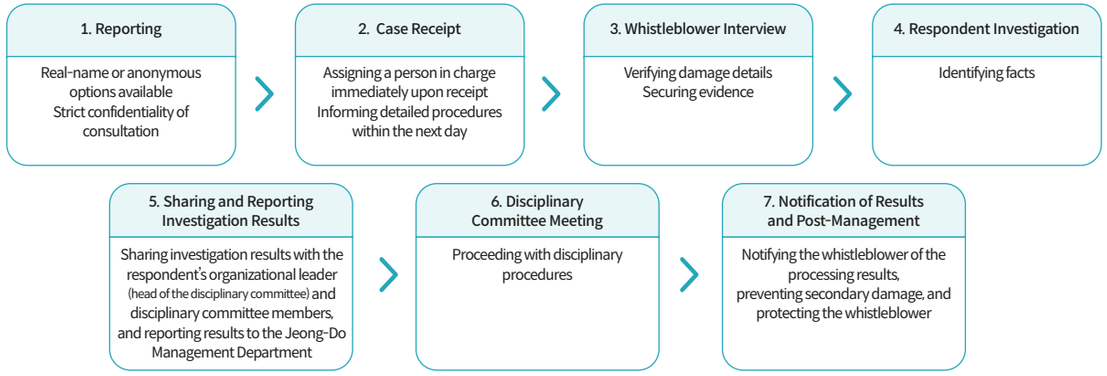
- **Jeong-Do Management Pledge**
  All employees are required to complete the Jeong-Do Management Pledge annually to strengthen ethical awareness and reinforce their commitment to ethical conduct.

Jeong-Do Management

Transparent Incident Investigation and Response

Jeong-Do Management Incident Investigation Process

LG Energy Solution operates a systematic incident investigation process to ensure prompt and objective investigations of Ethics Management violations, including corruption and bribery. Upon receipt of a report, the Company ensures the fairness of the investigation by assigning dedicated investigators from the Ethics Management & Ethics Office, which operates independently from the Ethics Management risk monitoring function, or by establishing an investigation committee. When a violation is confirmed, LG Energy Solution applies a zero-tolerance policy and takes strict disciplinary action. The Company also makes every effort to protect whistleblowers through strict confidentiality and post-investigation measures to prevent secondary harm. The detailed incident investigation process is outlined below.



[2025 Ethics Management Violation Cases]

Category	Number of Cases
Corruption / Bribery	4
Discrimination and Harassment	8
Customer Information Protection	0
Conflict of Interest	0
Money Laundering and Internal Trading	0

[2025 Grievance** Cases Filed by Employees and Suppliers*]

Category		Number of Cases
Employee Grievance Handling	Cases Received	21
	Cases Closed	21
Supplier Grievance Handling	Cases Received	1
	Cases Closed	1

* Tier-1 suppliers with a direct business relationship with LG Energy Solution.
** Excludes anonymously reported cases for which the type of reporter could not be identified.

Reporting and Whistleblowing System

Operating the Cyber Ethics Hotline

LG Energy Solution operates the Cyber Ethics Hotline, an anonymous reporting channel for misconduct and unethical behavior. Reports are categorized into three areas: (1) Bribery and Improper Benefits, (2) Unfair Trade Practices, and (3) Other Ethical Concerns. To encourage reporting, the Company has established strict whistleblower protection principles and provides a safe environment for employees to raise concerns with confidence. Information on reporting channels, procedures, and usage guidelines is regularly communicated through new employee orientation programs and ongoing

Whistleblower Protection Policy

LG Energy Solution operates a whistleblower protection policy based on relevant laws, LG Energy Solution's compliance guidelines, and internal regulations, and complies with the following protection principles to create an environment where whistleblowers can report with confidence.

- **Legal and Regulatory Framework**
  Labor Standards Act (Article 76-3, Paragraph 3), Equal Employment Opportunity and Work-Family Balance Support Act (Article 14, Paragraph 3), Group-wide Jeong-Do Management and Code of Ethics, Whistleblower Protection Policy, and Internal Audit Regulations
- **Protection Principles and Measures**
  Strict confidentiality of the whistleblower's identity and related information, strict prohibition of disadvantageous dispositions and retaliatory acts related to the report, and restoration to the original state or provision of corresponding protective measures in the event of any disadvantage
- **Response to Violations**
  In the event of violations of whistleblower protection, appropriate measures are taken in accordance with Article 7 (Procedures for Protecting Whistleblowers and Post-inspection Procedures for Whistleblowers) of the whistleblower protection standards.

[Whistleblower Protection Procedure and Post-Reporting Follow-up Process]

1. Procedures for Protecting Whistleblowers			
Report Reception	Report Handling	Corrective Actions	Follow-up Monitoring
• Confidential management of whistleblower identities and report details • Information protection through reporting system security measures • Anonymous reporting available	• Report handling by designated confidential personnel • Anonymous communication channels for whistleblower protection	• Limited disclosure of corrective actions on a need-to-know basis • Reasonable handling of whistleblower-related misconduct with mitigating considerations	• Monitoring of potential disadvantages within 3–6 months after corrective actions • Restoration or compensation for identified disadvantages

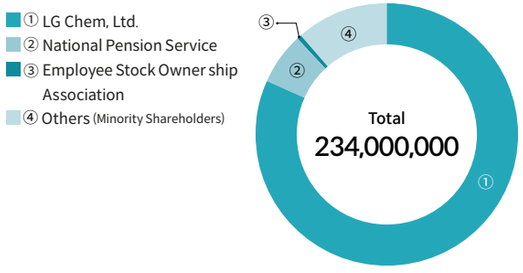
2. Whistleblower Post-Reporting Follow-up Process			
Establishment of Monitoring Plan	Conducting Interviews	Consultation on Corrective Measures	Verification of Implementation
• Identification of review subjects and interview planning	• Interviews via in-person meetings, telephone, and email	• Consultation with HR or responsible management on identified disadvantages • Development of transfer, restoration, or compensation measures	• Verification of implementation of agreed corrective measures

Shareholder Policy

LG Energy Solution strives to enhance shareholder value and protect shareholder rights through a range of initiatives based on a sound shareholder policy. In accordance with the principle of equal treatment of shareholders, the Company treats all shareholders fairly and ensures the exercise of legitimate shareholder rights, including voting rights, minority shareholder rights, and rights to dividends. In addition, the Company complies with the provisions set forth in its Corporate Governance Charter to establish and maintain a transparent and robust governance structure.

Shareholding Structure and Capital Structure

The total number of shares authorized to be issued under the Articles of Incorporation of LG Energy Solution is 800,000,000 shares (with a par value of KRW 500 per share), and the total number of issued shares as of the end of 2025 is 234,000,000 common shares. The entire volume of issued shares consists of common shares with voting rights. The company does not hold any treasury shares, and the largest shareholder, LG Chem, Ltd., holds 79.4% of the total shares.



Shareholder Name	Number of Shares Owned (Shares)	Ownership Stake (%)	Remarks
① LG Chem, Ltd.	185,747,525	79.4	Affiliated company
② National Pension Service	15,792,837	6.8	-
③ Employee Stock Ownership Association	778,338	0.3	-
④ Others (Minority Shareholders)	31,681,300	13.5	-
Total	234,000,000	100.0	-

※ The number of shares owned and ownership stake are based on the shareholder registry as of December 31, 2025, and may differ from the actual shareholding status.

Shareholder-Oriented Management

Establishment of Shareholder Rights Protection Framework

LG Energy Solution prioritizes transparency and fairness as its core values, ensuring equal treatment of all shareholders and protecting their rights and interests by providing timely and relevant information regarding corporate decision-making. To this end, the Company has established the Corporate Governance Charter, which outlines shareholder rights and fair treatment, thereby promoting responsible and shareholder-oriented management.
In addition, the Company has implemented the Disclosure Information Management Regulation to ensure the fair and accurate disclosure of information and strictly manages a systematic disclosure process and internal control framework.

Shareholder Rights

LG Energy Solution provides timely information to ensure that shareholders, as owners of the Company, can exercise their legitimate rights, including attending General Meetings of Shareholders and voting, in accordance with the Commercial Act and the Articles of Incorporation. To actively safeguard shareholder rights and facilitate the exercise of voting rights, the Company implements the following measures.

- **Prior Disclosure of General Meeting of Shareholders Information**
  Key information, including the date, venue, and agenda of the General Meeting of Shareholders, is announced four weeks prior to the meeting, and the audit report is submitted at least two weeks in advance. In addition, detailed explanatory materials for each agenda item are posted on the Company's website to enable shareholders to review proposals in advance and make informed voting decisions.

- **Enhancement of Voting Convenience**
  The Company introduced an electronic voting system starting with the 3rd Annual General Meeting of Shareholders to promote shareholder participation and facilitate the exercise of voting rights. Proxy solicitation is conducted for all holders of common shares as of the record date.

- **Shareholder Approval of Key Matters**
  Material corporate matters, including amendments to the Articles of Incorporation, are subject to shareholder approval through special resolutions at the General Meeting of Shareholders.

- **Transparent Disclosure of Voting Results**
  Information on the results of the General Meeting of Shareholders, including the number of shares represented and approval rates for each agenda item, is disclosed transparently through regulatory filings and the Company's website.

Fair Treatment of Shareholders

LG Energy Solution ensures equal voting rights for all shareholders in accordance with Article 369 (Voting Rights) of the Korean Commercial Act and Article 23 (Voting Rights) of its Articles of Incorporation. Each shareholder is entitled to one vote per share held and is treated equally regardless of the size of their shareholding. Shareholders are also entitled to receive material information regarding the Company in a timely, sufficient, and equitable manner.

Guarantee of Shareholder Proposal Rights

In accordance with the Commercial Act, shareholders holding the required ownership stake are entitled to submit proposals, including director nominations, in writing or electronically up to six weeks prior to the General Meeting of Shareholders. Relevant information is provided on the Company's website. To date, no directors have been appointed through shareholder nominations.

Results of the 6th Annual General Meeting of Shareholders (2026)

• **Date & Time :** March 20, 2026 (Friday), 9:00 a.m.

• **Venue :** Connect Hall, B1, LG Twin Towers East Tower, 128 Yeoui-daero, Yeongdeungpo-gu, Seoul

- Shares Represented: 218,208,465 shares / Attendance Rate : 93.3% *Attendance rate excluding related parties: 67.3%

Agendas for Resolution	Result	Approval Rate
Item 1: Approval of the Financial Statements for the 6th Fiscal Year	Approved	99.8%
Item 2-1: Approval of Amendments to the Articles of Incorporation Regarding the Prohibition of Excluding Cumulative Voting	Approved	99.9%
Item 2-2: Approval of Amendment to the Articles of Incorporation Regarding Virtual Shareholder Meetings	Approved	99.9%
Item 2-3: Approval of Amendment to the Articles of Incorporation Regarding the change of terminology for outside directors	Approved	99.9%
Item 2-4: Approval of Amendment to the Articles of Incorporation Regarding the change in the number of separately elected Audit Committee Members	Approved	99.9%
Item 2-5: Approval of Amendment to the Articles of Incorporation Regarding Limitations on the Voting Rights of the Largest Shareholder in the Appointment and Dismissal of Audit Committee Members	Approved	99.9%
Item 2-6: Approval of Amendment to the Articles of Incorporation Regarding Improvements to Dividend Procedures	Approved	99.9%
Item 3: Appointment of an Outside Director, Lee, Myoung Gyu	Approved	92.4%
Item 4: Appointment of Outside Director Park, Jin-Kyu as a Member of the Audit Committee	Approved	97.4%
Item 5: Appointment of Lee, Myoung Gyu as a Member of the Audit Committee	Approved	74.5%
Item 6: Approval for Directors' Remuneration Ceiling	Approved	92.7%

Shareholder Return Plans Including Dividends

LG Energy Solution aims to enhance shareholder value through global market leadership and sustainable growth. However, given the rapid growth of the secondary battery industry and increasing customer demand, substantial investments remain necessary for the foreseeable future. Once the Company achieves profitability-driven growth and generates stable free cash flow, it will consider implementing a shareholder return policy based on a comprehensive review of business performance, investment plans, market conditions, and the availability of distributable profits under the Commercial Act. In addition, the Company has improved its dividend procedures by amending the Articles of Incorporation to allow the dividend record date to be designated after the dividend amount has been determined. Should the Company implement dividends or other shareholder return initiatives in the future, such decisions will be made through resolutions of the Board of Directors and the General Meeting of Shareholders in accordance with applicable laws and the Articles of Incorporation. Relevant information will be communicated fairly and transparently through various channels, including regulatory filings, the Company's website, investor relations activities, and shareholder letters.

IR Events

Active Communication with Shareholders

Investor Relations Activities and IR Communication

LG Energy Solution maintains various communication channels to facilitate timely and transparent engagement with shareholders and investors and responds diligently to matters of interest.

• **Earnings Calls and Enhanced Information Transparency**

The Company holds quarterly earnings conference calls led by management to share business updates and financial performance with domestic and international investors, securities analysts, and the media. To ensure equal access to information, Korean- and English-language webcasts are provided simultaneously through the Company's website, and earnings presentation materials are disclosed in both languages. In 2025, the Company held four earnings conference calls.

• **Expanded Engagement with Institutional Investors**

The Company conducts quarterly NDRs (Non-Deal Roadshows) and actively participates in conferences hosted by securities firms to maintain ongoing communication with domestic and international institutional investors. In 2025, the Company participated in 12 NDRs and conferences to strengthen engagement with shareholders and investors.

• **Retail Shareholder Communication Channels**

To listen to retail shareholders and respond promptly to their inquiries, the Company operates dedicated IR communication channels and an IR inquiry board on its website.

Transparent Disclosure System

LG Energy Solution provides timely disclosure of key decisions that may affect investment decisions through a fair and transparent disclosure system.

• **Enhancing Information Accessibility and Shareholder Communication**

The Company strives to provide IR materials in a timely manner to facilitate effective communication with shareholders and enhance stakeholders' understanding of its business. To improve information accessibility for foreign investors, the Company operates an English-language website and provides English disclosures for major ad hoc disclosure matters.

• **Transparent Disclosure of Management Information**

Management information is disclosed transparently through the Company's website, the Financial Supervisory Service's Data Analysis, Retrieval and Transfer System (DART), and the Korea Exchange's Korea Investor's Network for Disclosure System (KIND).

LG Energy Solution will continue to support informed investment decision-making through accurate and transparent disclosures while strengthening fair communication with the market.

ESG Disclosure

Establishment of the ESG Information Management and Disclosure Regulation

LG Energy Solution established the ESG Information Management and Disclosure Regulation to systematically manage ESG information and prepare for upcoming ESG disclosure requirements. The regulation was officially adopted following approval by the ESG Committee in the first half of 2025.
The regulation defines the roles, authorities, and responsibilities of each organization involved in the generation and management of ESG information. It also establishes a process for reviewing legal risks and information-generation procedures related to consolidated ESG information, including that of subsidiaries, prior to disclosure. ESG information is disclosed following approval by the ESG Committee. Through this regulation, the Company seeks to provide relevant ESG information to a wide range of stakeholders, including customers, shareholders, investors, and local communities, while enhancing its readiness for the EU Corporate Sustainability Reporting Directive (CSRD), which is expected to become applicable from 2028.

[ESG Disclosure Regulations Applicable to LG Energy Solution]

Regulation	Category	Details
KSSB	Disclosing Entity	Companies in adopting countries
	Details	Global sustainability disclosure standards (focused on general and climate-related disclosures)
	Scope of Application	Company-wide basis
EU CSRD	Disclosing Entity	EU-based companies and parent companies
	Details	12 Environmental, Social, and Governance standards (including Taxonomy and Sustainable Finance Disclosure Regulation)
	Scope of Application	Disclosure obligation begins in 2028 (FY2027) for one EU subsidiary (LGESWA)

Factbook

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Major Incident and Accident Reporting

ICE Detention Incident

1. Incident Overview

On September 4, 2025, an unannounced workplace inspection was conducted by U.S. Immigration and Customs Enforcement (ICE) and other local authorities at the HL-GA battery joint venture construction site in Georgia, U.S. While executing a search warrant for four individuals suspected of unlawful immigration status, authorities deployed a large law enforcement force. During the operation, a total of 475 individuals, including 331 business travelers from LG Energy Solution and its suppliers were detained at a local detention facility. Of these, the 331 LG Energy Solution and contractor personnel were detained for approximately one week (September 4–11, 2025).

2. Overseas Business Travel Principles

At the time, LG Energy Solution dispatched employees for business activities permitted under B-1/B-2 visas or the Visa Waiver Program (ESTA), based on U.S. Department of State guidance and reference materials. These activities included support for manufacturing equipment installation, production stabilization, and training of local employees. The Company applied internal management standards that were more stringent than U.S. government requirements, recommending ESTA for trips of less than 30 days or one-time visits and B-1 visas for assignments exceeding 30 days or involving multiple visits. In addition, all compensation for business travelers was paid exclusively by the Company's headquarters in Korea, ensuring the legitimate business purpose and legal compliance of such travel.

3. Response Measures

Immediately following the incident, LG Energy Solution activated its company-wide crisis response framework and mobilized all available resources to safeguard the safety and human rights of affected business travelers and facilitate the prompt resolution of the situation.

- **Operation of an Emergency Response Committee**

  On September 5, 2025, LG Energy Solution convened an Emergency Response Committee led by the CEO and immediately initiated response measures. The Committee focused on protecting detained personnel, ensuring the safety of remaining business travelers and on-site personnel, maintaining business continuity, and coordinating cooperation with external stakeholders, including the Korean government and the Consulate General of the Republic of Korea in Atlanta. Following the CEO's departure to the United States on September 7, the response framework remained in place under the leadership of the Chief Risk Officer (CRO), and the Emergency Response Committee met daily until the crisis was fully resolved. In addition to formal meetings, real-time communication channels were established to continuously monitor developments and facilitate prompt decision-making.

- **Support for Release and Repatriation**

  Under the CEO's on-site leadership, LG Energy Solution supported coordination between Korean and U.S. authorities to secure the prompt release of detained personnel. As of September 11, 2025, 330 of the 331 business travelers from LG Energy Solution and its partner companies had been safely repatriated via a chartered aircraft. The Company also provided the same level of support to foreign-national business travelers from China, Japan, Indonesia, and other countries employed by LG Energy Solution and its partner companies, ensuring the safety of all personnel who had worked at its sites regardless of employer or nationality.

  * One individual chose to remain in the United States due to family residing locally and was released on bail on September 26, 2025.

- **Follow-up Care and Post-Incident Support**

  Following the completion of repatriation procedures on September 12, 2025, the CEO convened the final Emergency Response Committee meeting to discuss follow-up care for detained personnel and business recovery measures, formally concluding the crisis response. LG Energy Solution provided comprehensive post-incident support to both employees and contractor personnel, including one month of paid leave, health examinations, and psychological counseling programs, along with broader administrative and well-being assistance.

4. Future Actions

Although the incident was not caused by deficiencies in LG Energy Solution's existing travel or visa management policies, the Company has significantly strengthened its business travel management framework to better protect employees and contractor personnel and proactively mitigate potential risks.

Category	Key Actions
Enhanced Visa Management Guidelines	- Established a conservative business travel policy prioritizing B-1 visa issuance, reflecting recent changes in U.S. immigration policies and visa enforcement practices
Support for Suppliers	- Expanded enhanced travel and visa requirements to both first-tier and lower-tier suppliers and established a communication framework to support implementation. - Provided practical administrative support, including group visa interview assistance, to help SMEs address visa application 'challenges
Company-wide Business Travel Governance	- Strengthened approval processes by introducing a pre-travel control system that automatically verifies the alignment between assigned duties and visa status during travel approval requests - Established a company-wide traveler monitoring system to manage visa validity and length of stay across all Sites
KIT* Desk Launch Discussion	- Collaborated with the U.S. government to support efficient visa processing through the KIT Desk, launched in December 2025

*KIT: Korean Investment and Travel Desk

Fire Incident at the National Information Resources Service (NIRS)

1. Incident Overview

On September 26, 2025, a fire occurred during the relocation of lithium-ion batteries used in an uninterruptible power supply (UPS) system at the National Information Resources Service (NIRS) headquarters in Daejeon, Korea. A joint forensic investigation conducted by the police, the National Forensic Service, and other relevant authorities concluded that the incident resulted not from a battery defect but from a combination of safety protocol violations and deficiencies in operational management during the relocation and disassembly process.

2. Root Cause Analysis and Investigation Findings

Based on CCTV footage analysis and reconstruction testing conducted by the National Forensic Service, no evidence of thermal runaway—a characteristic indicator of battery-related fires—was identified, and the possibility of thermal runaway was ruled out. The dedicated investigation team of the Daejeon Metropolitan Police Agency concluded that the incident was attributable to inadequate safety management and procedural controls during on-site operations rather than a technical defect in the product. Key findings included the following:

- **Non-Compliance with Safety Procedures and Exposure to Residual Power**
  Mandatory safety requirements specified in the battery operation guidelines were not followed. While the main power supply had been disconnected, the Battery Power Unit (BPU) shut-off devices installed in each rack remained energized during the operation. As a result, residual electrical power remained within the system, increasing the risk of short circuits and ignition.

- **Violation of State of Charge (SOC) Safety Requirements**
  For safety reasons, battery disassembly should generally be performed only after the State of Charge (SOC) has been reduced to 30% or below. However, the work was conducted while the battery remained at an SOC of approximately 80–90%, significantly increasing operational risks.

- **Insufficient Worker Qualifications and Competencies**
  Personnel lacking the specialized qualifications and expertise required for dismantling and reworking high-voltage equipment were assigned to the task, exposing structural safety weaknesses in the work process.

3. Implications and Future Plans

The investigation confirmed that the direct cause of the fire was not related to a defect in LG Energy Solution's product. However, the incident underscored the critical importance of robust management systems and strict compliance with operational procedures when handling high-risk equipment.
LG Energy Solution will continue to uphold rigorous quality and safety management processes to reinforce customer and market confidence. In addition, the Company will fulfill its responsibilities as a manufacturer by supporting the proactive prevention of safety incidents wherever its products are deployed and will continue to strengthen its organization-wide safety management capabilities.

Membership Associations

GBA (Global Battery Alliance)	Korea Chamber of Commerce and Industry (KCCI)	Korea Industrial Technology Association (KOITA)
RBA (Responsible Business Alliance)	Korea Fair Competition Federation (KFCF)	Korea Electric Engineers Association (KEEA)
RE100 (Renewable Electricity 100)	Korea Listed Companies Association (KLCA)	Korean Association of Occupational Health Nurses (KAOHN)
EV100 (Electric Vehicle 100)	Korea Intellectual Property Association (KINPA)	Licensing Executives Society Korea (LES Korea)
SBMC (Swappable Batteries Motorcycle Consortium)	Korea Electric Vehicle Association (KEVA)	Korea Marine Electrification Association (KMEA)
PRBA (The Rechargeable Battery Association)	Korea Electrical Manufacturers Association (KOEMA)	Korea Smart Grid Association (KSGA)
FISITA (Fédération Internationale des Sociétés d'Ingénieurs des Techniques de l'Automobile)	Korean Standards Association (KSA)	Korea Battery Industry Association (KBIA)
FCA (The Fair Cobalt Alliance)	China EV Battery Standard Alliance	National Academy of Engineering of Korea (NAEK)
UNGC (UN Global Compact)	Chungcheong Green Company Council	Seoul National University Secondary Battery Innovation Center
AAI (Alliance for Automotive Innovation)	Chungbuk Process Safety Management (PSM) Council	Korea Association for Industrial Technology Security (KAITS)

Notice Regarding Forward-Looking Statements

This report contains forward-looking statements regarding LG Energy Solution's overall management, including its ESG goals and strategies, environmental management, and general businessoutlook (hereinafter, "Forward-Looking Statements").

Statements relating not only to past or present facts but also to future events or expectations may be considered Forward-Looking Statements.
In this report, terms and expressions such as "promote," "goal," "strategy," "plan," "effort," "scheduled," "may," "will," "could," "should," "forecasts," "expects," "intends," "plans," "aims to," "goals," "trying to," "anticipates," "projects," "outlook," "believes," "estimates," "predicts," "potential," "continue," and "preliminary," may indicate Forward-Looking Statements.

LG Energy Solution has carefully used such expressions based on reasonable assumptions and the commitment of management and relevant departments to execute its plans. However, these Forward-Looking Statements are based on current and historical information, business conditions, and management's views available at the time of preparation, and therefore involve uncertainties arising from changes in internal and external factors and future circumstances.

Examples of factors that may cause actual results to differ materially from those anticipated include, but are not limited to, the following:

Key Factors of Uncertainty:

Geopolitical events, global economic conditions, increased price and product competition from competitors, cost fluctuations and raw material availability, ability to achieve increases in material and sales prices, ability to recover margins, customer inventory volumes, ability to maintain favorable supplier relationships and agreements, timing of realizing scheduled cost reductions and restructuring, national political and economic conditions, ability to enter various domestic and foreign markets, exchange rate fluctuations, changes in tax rates, impact of future legislation, impact of environmental regulations, unexpected business disruptions, effectiveness of internal controls over financial reporting, government investigation results, unpredictability of ongoing or potential litigation, etc.

In addition, certain quantitative information included in the Forward-Looking Statements in this report has been developed or calculated based on LG Energy Solution's internal standards (or generally accepted industry standards) using historical and current information. Accordingly, such figures may differ in the future due to unforeseen variables, external factors, or changes in calculation methodologies.

(1) Forward-Looking Statements on ESG Objectives, Strategies, and Environmental Management

This report contains Forward-Looking Statements regarding LG Energy Solution's ESG objectives, strategic initiatives, implementation plans, and other aspects of environmental management. Certain statements contained herein may constitute Forward-Looking Statements subject to applicable laws and regulations, including Article 3(1) of the Fair Labeling and Advertising Act, Article 16-10 of the Act on the Promotion of Environmental Technology and Environmental Industry, Directive (EU) 2024/825 on Empowering Consumers for the Green Transition, and the U.S. Federal Trade Commission's Guides for the Use of Environmental Marketing Claims (Green Guides). In using such statements, LG Energy Solution strives to reflect relevant legal requirements as well as recommendations provided by domestic and international regulations and initiatives. The Forward-Looking Statements related to environmental management contained in this report are based on information available as of the reporting date, related assumptions, and management's commitment. However, ESG-related business activities, market outlooks, future price forecasts, guidelines, plans, and targets may be affected by various uncertainties and external factors, and actual results may differ from the Company's objectives, strategies, or implementation plans. LG Energy Solution will continue to make every effort to achieve its ESG goals. Should any material changes arise, LG Energy Solution will review such changes through the ESG Committee and relevant departments and disclose material information to stakeholders in a timely manner when necessary. Any significant changes will also be reflected in future ESG reports.

(2) General Forward-Looking Statements on Business Outlook and Management

This report contains Forward-Looking Statements regarding LG Energy Solution's business and operations, including market outlooks, business plans, and financial projections. While LG Energy Solution believes that the expectations reflected in these Forward-Looking Statements are reasonable, no assurance can be given that such expectations will prove to be correct.
These statements are intended to assist readers in understanding the LG Energy Solution's approach to key ESG topics, strategic priorities, initiatives, and anticipated operating environment. Accordingly, such information may not be suitable for purposes other than those intended. Although LG Energy Solution believes that the Forward-Looking Statements contained in this ESG Report are based on timely and reasonable information, assumptions, and beliefs, such statements (including the underlying information, assumptions, and beliefs) are inherently subject to various factors, risks, and uncertainties. As a result, actual outcomes may differ materially from management's expectations and plans.
Accordingly, LG Energy Solution is not obligated to revise or update all Forward-Looking Statements to reflect risks or uncertainties arising after the date of this report. However, ESG targets and other material sustainability-related matters will be managed in accordance with the review and disclosure procedures described in Section (1) above.

ESG Data

Condensed Consolidated Statement of Profit or Loss

Item	Unit	2023	2024	2025
Revenue	KRW million	33,745,470	25,619,585	23,671,759
Cost of Sales		28,802,437	22,213,605	19,439,651
Gross Profit		**4,943,033**	**3,405,980**	**4,232,108**
Other Operating Income		676,874	1,480,020	1,646,811
Selling and Administrative Expenses		3,456,673	4,310,613	4,532,799
Operating Profit		**2,163,234**	**575,387**	**1,346,120**
Non-operating Income (Loss)		(119,774)	(226,516)	(931,996)
Income (Loss) from Continuing Operations Before Income Taxes		**2,043,460**	**348,871**	**414,124**
Income Tax Expense		405,475	10,269	333,321
Income (Loss) from Continuing Operations		1,637,985	338,602	80,803
Income (Loss) from Discontinued Operations			0	0
Net Income		**1,637,985**	**338,602**	**80,803**

Condensed Consolidated Statement of Financial Position

Item	Unit	2023	2024	2025
Assets	KRW million	**45,437,144**	**60,306,791**	**67,147,953**
Current Assets		17,208,396	15,327,395	18,412,127
Non-current Assets		28,228,748	44,979,396	48,735,826
Liabilities		**21,063,635**	**29,340,248**	**37,826,277**
Current Liabilities		10,937,185	12,054,922	16,785,357
Non-current Liabilities		10,126,450	17,285,326	21,040,920
Equity		**24,373,509**	**30,966,543**	**29,321,676**
Share Capital		117,000	117,000	117,000
Capital Surplus		17,164,627	17,164,627	17,164,627
Capital Adjustments		0	0	0
Accumulated Other Comprehensive Income		554,518	2,437,399	2,601,713
Retained Earnings		2,364,496	1,397,211	332,209
(Net Profit for the Year)		1,637,985	338,602	80,803
Non-controlling Interests		4,172,868	9,850,306	9,106,127
Total Liabilities and Equity		**45,437,144**	**60,306,791**	**67,147,953**

Contributions, Membership Fees, and Other Expenditures

	Unit	2023	2024	2025
Trade Associations/Tax-exempt Organizations	KRW million	1,460	1,780	1,959
Lobbying and Interest Representation Activities		0	0	0
Lobbying, Interest Representation, etc.		0	0	0
Others		0	0	0

*This disclosure covers expenditures incurred by the headquarters. In Korea, political contributions are prohibited under applicable laws and regulations, including Article 32 of the Political Funds Act.

Major Industry Association Membership Expenditures

Organization	Unit	2023	2024	2025
Alliance for Automotive Innovation (AAI)	KRW million	N/A	385	596
Korea Battery Industry Association (KBIA)		475	449	475
Korea Chamber of Commerce and Industry (KCCI)		189	183	180
Fair Cobalt Alliance (FCA)		134	140	149
Responsible Business Alliance (RBA)		55	61	78
Global Battery Alliance (GBA)		57	66	67

Environmental _ Energy

* Refer to page 151 for footnotes.

Total Energy Consumption

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Consolidated	Domestic	Overseas	Consolidated	Domestic	Overseas	Consolidated
Total Energy Consumption [1), 2)]	TJ	7,510	33,245	40,756	8,872	36,843	45,715	9,376	38,198	47,574
	MWh	1,005,916	4,792,250	5,798,166	1,251,302	5,265,652	6,516,954	1,322,666	5,354,124	6,676,790
Energy Consumption Intensity [3)]	TJ / KRW 100 Million	N/A	N/A	0.121	N/A	N/A	0.178	N/A	N/A	0.201

Non-renewable Energy Consumption

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Consolidated	Domestic	Overseas	Consolidated	Domestic	Overseas	Consolidated
Non-renewable Energy Consumption	**TJ**	**4,368**	**18,436**	**22,804**	**7,229**	**18,460**	**25,689**	**7,850**	**18,611**	**26,461**
	MWh	**678,599**	**3,249,591**	**3,928,190**	**1,080,129**	**3,350,784**	**4,430,913**	**1,163,653**	**3,313,786**	**4,477,438**
Share of Non-renewable Energy Consumption	**%**	**58%**	**55%**	**56%**	**81%**	**50%**	**56%**	**84%**	**49%**	**56%**
Fossil Fuel Energy Consumption	TJ	946	4,951	5,897	1,447	5,769	7,217	1,441	6,775	8,217
	MWh	262,818	1,375,181	1,637,999	402,000	1,602,598	2,004,597	400,379	1,882,039	2,282,418
Coal and Coal Products	TJ	0	0	0	0	0	0	0	0	0
	MWh	0	0	0	0	0	0	0	0	0
Crude Oil and Petroleum Products (Diesel, Kerosene, Gasoline)	TJ	15	0	15	8	0	8	7	0	7
	MWh	4,072	0	4,072	2,246	0	2,246	1,981	0	1,981
Natural Gas	TJ	931	4,951	5,882	1,439	5,769	7,208	1,434	6,775	8,210
	MWh	258,746	1,375,181	1,633,927	399,753	1,602,598	2,002,351	398,398	1,882,039	2,280,436
Other Fuels	TJ	0	0	0	0	0	0	0	0	0
	MWh	0	0	0	0	0	0	0	0	0
Nuclear Energy Consumption	TJ	0	0	0	0	0	0	0	0	0
	MWh	0	0	0	0	0	0	0	0	0
Energy Consumption from Unknown Sources	TJ	3,422	13,485	16,907	5,782	12,691	18,473	6,409	11,835	18,244
	MWh	415,781	1,874,411	2,290,191	678,129	1,748,186	2,426,316	763,274	1,431,747	2,195,021
Purchased Electricity	TJ	3,080	10,780	13,860	5,344	10,236	15,581	5,857	10,690	16,547
	MWh	320,864	1,122,905	1,443,769	556,711	1,066,263	1,622,975	610,128	1,113,507	1,723,635
Purchased Steam	TJ	342	2,705	3,047	437	2,455	2,892	551	1,146	1,697
	MWh	94,917	751,506	846,422	121,418	681,923	803,341	153,146	318,240	471,385

Renewable Energy Consumption

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Consolidated	Domestic	Overseas	Consolidated	Domestic	Overseas	Consolidated
Renewable Energy Consumption and Conversion	**TJ**	**3,142**	**14,810**	**17,952**	**1,643**	**18,383**	**20,026**	**1,527**	**19,587**	**21,114**
	MWh	**327,317**	**1,542,659**	**1,869,977**	**171,173**	**1,914,868**	**2,086,041**	**159,013**	**2,040,338**	**2,199,352**
Share of Renewable Energy Consumption	**%**	**42%**	**45%**	**44%**	**19%**	**50%**	**44%**	**16%**	**51%**	**44%**
Renewable Energy Consumption	TJ	22	148	170	21	270	291	58	329	387
	MWh	2,317	15,416	17,734	2,197	28,120	30,317	6,013	34,248	40,261
Self-generated Renewable Energy	TJ	22	0	22	20	0	20	23	0	23
	MWh	2,317	0	2,317	2,067	0	2,067	2,417	0	2,417
Renewable Fuels	TJ	0	0	0	0	0	0	0	0	0
	MWh	0	0	0	0	0	0	0	0	0
On-site Power Purchase Agreement (PPA)	TJ	0	148	148	1	270	271	35	329	363
	MWh	0	15,416	15,416	130	28,120	28,250	3,596	34,248	37,845
Renewable Energy Conversion	TJ	3,120	14,662	17,782	1,622	18,113	19,735	1,469	19,258	20,727
	MWh	325,000	1,527,243	1,852,243	168,976	1,886,747	2,055,723	153,000	2,006,090	2,159,090
Renewable Energy Certificates (RECs)	TJ	0	13,897	13,897	0	16,727	16,727	0	16,657	16,657
	MWh	0	1,447,573	1,447,573	0	1,742,445	1,742,445	0	1,735,088	1,735,088
Virtual Power Purchase Agreement (Virtual PPA)	TJ	0	765	765	0	1,385	1,385	0	2,602	2,602
	MWh	0	79,670	79,670	0	144,302	144,302	0	271,002	271,002
Green Premium	TJ	3,120	0	3,120	1,622	0	1,622	1,469	0	1469
	MWh	325,000	0	325,000	168,976	0	168,976	153,000	0	153000
Purchased Steam	TJ	0	0	0	0	0	0	0	0	0
	MWh	0	0	0	0	0	0	0	0	0

Electricity Consumption

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Consolidated	Domestic	Overseas	Consolidated	Domestic	Overseas	Consolidated
Electricity Consumption [4]	TJ	6,223	25,589	31,812	6,988	28,619	35,607	7,384	30,277	37,661
	MWh	648,181	2,665,564	3,313,745	727,884	2,981,131	3,709,015	769,141	3,153,845	3,922,987
Renewable Electricity Transition Rate [5]	%	N/A	N/A	56%	N/A	N/A	56%	N/A	N/A	56%
Renewable Electricity	TJ	3,142	14,810	17,952	1,643	18,383	20,026	1,527	19,587	21,114
	MWh	327,317	1,542,659	1,869,977	171,173	1,914,868	2,086,041	159,013	2,040,338	2,199,352
Non-renewable Electricity	TJ	3,080	10,780	13,860	5,344	10,236	15,581	5,857	10,690	16,547
	MWh	320,864	1,122,905	1,443,769	556,711	1,066,263	1,622,975	610,128	1,113,507	1,723,635

Energy Generation

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Consolidated	Domestic	Overseas	Consolidated	Domestic	Overseas	Consolidated
Total Energy Generation	TJ	22	0	22	20	0	20	23	0	23
	MWh	2,317	0	2,317	2,067	0	2,067	2,417	0	2,417
Non-renewable Energy Generation	TJ	0	0	0	0	0	0	0	0	0
	MWh	0	0	0	0	0	0	0	0	0
Renewable Energy Generation	TJ	22	0	22	20	0	20	23	0	23
	MWh	2,317	0	2,317	2,067	0	2,067	2,417	0	2,417

Environmental _ Greenhouse Gas Emissions

* Refer to page 151 for footnotes.

Greenhouse Gas (GHG) Emissions (Scope 1 and 2)

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Consolidated	Domestic	Overseas	Consolidated	Domestic	Overseas	Consolidated
Total Scope 1 and 2 Emissions (Location-based)	tCO_2eq	376,522	2,041,901	2,418,423	408,142	2,078,634	2,486,777	427,034	2,067,882	2,494,916
Total Scope 1 and 2 Emissions (Market-based)	tCO_2eq	376,454	1,116,908	1,493,362	408,142	1,059,364	1,467,506	425,382	986,648	1,412,029
GHG Emissions Intensity (Location-based) [1]	tCO_2eq / KRW 100 Million	N/A	N/A	7.166	N/A	N/A	9.707	N/A	N/A	10.540
GHG Emissions Intensity (Market-based)	tCO_2eq / KRW 100 Million	N/A	N/A	4.425	N/A	N/A	5.728	N/A	N/A	5.965
Scope 1 Emissions	tCO_2eq	68,020	219,474	287,494	73,170	281,860	355,030	73,294	339,302	412,596
Subject to Emissions Trading Scheme (ETS)	tCO_2eq	68,020	90,101	158,121	73,170	110,670	183,840	73,294	93,423	166,717
Other Emissions (Based on the GHG Protocol)	tCO_2eq	0	129,373	129,373	0	171,190	171,190	0	245,879	245,879
Percentage Covered by ETS	%	100%	41%	55%	100%	39%	52%	100%	28%	40%
Biogenic Emissions	tCO_2eq	0	0	0	0	0	0	0	0	0
Scope 2 Emissions (Location-based)	tCO_2eq	308,503	1,822,427	2,130,929	334,972	1,796,774	2,131,746	353,740	1,728,579	2,082,319
Scope 2 Emissions (Market-based)	tCO_2eq	308,435	897,434	1,205,869	334,972	777,504	1,112,476	352,088	647,345	999,433

Greenhouse Gas (GHG) Emissions (Scope 3)

Category	Unit	2023	2024	2025
		Consolidated	Consolidated	Consolidated
Scope 3 Emissions	tCO_2eq	6,471,645	7,992,069	7,551,245
1. Purchased Goods and Services	tCO_2eq	5,762,099	5,883,859	5,120,434
2. Capital Goods	tCO_2eq	0	1,146,337	1,525,939
3. Fuel- and Energy-related Activities	tCO_2eq	124,087	258,043	277,008
4. Upstream Transportation and Distribution	tCO_2eq	128,103	145,609	125,576
5. Waste Generated in Operations	tCO_2eq	37,817	20,204	35,121
6. Business Travel	tCO_2eq	12,450	14,228	12,430
7. Employee Commuting	tCO_2eq	7,714	13,212	9,223
12. End-of-life Treatment of Sold Products	tCO_2eq	399,375	510,578	445,513

GHG Emissions Reduction [2]

Category	Unit	2023	2024	2025
		Consolidated	Consolidated	Consolidated
Target	tCO_2eq	86,986	102,804	93,538
Performance	tCO_2eq	81,943	140,124	191,157

Environmental _ Environmental Management

* Refer to page 151 for footnotes.

Environmental Management

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Environment, Health and Safety Investment	KRW 100 Million	N/A	N/A	616	N/A	N/A	373	N/A	N/A	195
Sites Subject to Environmental Management System ("EMS") Certification	Sites	6	5	11	6	5	11	6	5	11
EMS-Certified Sites	Sites	6	5	11	6	5	11	6	5	11
Environmental Management System Certification Rate	%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Environmental Compliance Violations

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Environmental Compliance Violations 1)	Cases	0	2	2	0	0	0	0	0	0
Environmental Fines and Penalties	KRW 100 Million	0	8.68	8.68	0	0	0	0	0	0

Environmental _ Pollution Management

* Refer to page 151 for footnotes.

Air Pollutant Emissions

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Total Air Pollutant Emissions 1)	kg	38,779	384,224	423,003	33,126	336,446	369,572	34,499	377,216	411,715
Nitrogen Oxides (NOx)	kg	33,142	141,202	174,343	28,173	94,874	123,047	27,147	109,287	136,434
Sulfur Oxides (SOx)	kg	1,529	27,346	28,875	1,372	7,829	9,201	248	7,526	7,773
Hazardous Air Pollutants (HAPs)	kg	1	578	579	1	99	100	1	1,537	1,538
Particulate Matter (PM)	kg	4,082	10,960	15,042	3,454	11,041	14,495	3,568	10,292	13,860
Volatile Organic Compounds (VOCs)	kg	25	204,138	204,163	126	222,603	222,729	3,535	248,574	252,110

Water Pollutant Discharges

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Total Water Pollutant Discharges 2)	kg	3,875	717,643	721,518	4,313	529,105	533,418	787	502,650	503,438
Water Pollutant Discharge Intensity 3)	kg / KRW 100 Million	N/A	N/A	2,138	N/A	N/A	2,082	N/A	N/A	2,127
Chemical Oxygen Demand (COD)	kg	1,505	367,006	368,511	1,748	304,875	306,622	0	176,402	176,402
Total Organic Carbon (TOC) 4)	kg	604	0	604	703	0	703	210	0	210
Suspended Solids (SS)	kg	661	175,628	176,289	656	99,582	100,237	83	113,961	114,044
Total Nitrogen (T-N)	kg	691	40,401	41,091	686	36,146	36,832	264	34,338	34,603
Total Phosphorus (T-P)	kg	115	4,049	4,164	120	13,382	13,502	111	6,312	6,423
Biochemical Oxygen Demand (BOD)	kg	300	130,560	130,859	401	75,121	75,522	118	171,637	171,755

Environmental _ Water Management

* Refer to page 151 for footnotes.

Water Management

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Water Withdrawal	ton, m^3	1,729,098	9,205,332	10,934,429	1,880,668	9,042,228	10,922,896	2,152,869	11,188,401	13,341,269
Seawater and Brackish Water	ton, m^3	0	0	0	0	0	0	0	0	0
Surface Water	ton, m^3	0	0	0	0	0	0	0	0	0
Non-renewable Groundwater	ton, m^3	0	0	0	0	0	0	0	0	0
Renewable Groundwater	ton, m^3	0	0	0	0	0	0	0	0	0
Produced Water	ton, m^3	0	0	0	0	0	0	0	0	0
Third-party Water Sources (Municipal Water Supply)	ton, m^3	1,729,098	9,205,332	10,934,429	1,880,668	9,042,228	10,922,896	2,152,869	11,188,401	13,341,269
Water Discharge 1)	ton, m^3	534,111	2,689,568	3,223,679	542,454	2,501,422	3,043,876	622,697	2,844,801	3,467,498
Water Storage	ton, m^3	0	0	0	0	0	0	0	0	0
Water Consumption 2)	ton, m^3	1,194,987	6,515,764	7,710,750	1,338,215	6,540,806	7,879,020	1,530,172	8,343,600	9,873,771
Water Consumption in Water-Stressed Areas 3)	ton, m^3	N/A	N/A	N/A	N/A	N/A	N/A	1,438,042	N/A	1,438,042

Water Reuse

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Recycled and Reused Water	ton, m^3	231,397	N/A	231,397	240,612	N/A	240,612	250,219	N/A	250,219
Water Recycling and Reuse Rate	%	13%	N/A	13%	13%	N/A	13%	12%	N/A	12%

Wastewater Management [4)]

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Sewage Discharge	ton, m^3	390,405	1,361,879	1,752,284	396,065	1,157,407	1,553,472	455,572	1,094,214	1,549,786
Wastewater Discharge	ton, m^3	143,706	1,327,689	1,471,395	146,389	1,344,015	1,490,404	167,125	1,750,587	1,917,712

Environmental _ Climate Tech-Based Revenue

Climate Tech-Based Revenue

Category	Unit	2023	2024	2025
Climate Tech-Based Revenue*	KRW 100 Million	337,455	256,196	236,718
Percentage of Total Revenue	%	100%	100%	100%

* Climate Tech-Based Revenue: An internally managed metric calculated with reference to the climate technology classification framework of the National Climate Crisis Response Committee. It includes revenue from battery products and solutions related to electrification and energy use, including EVs, ESS, IT/mobile devices, drones, and robotics. The EU Taxonomy eligible activities were referenced in its calculation. This metric does not represent Taxonomy-aligned revenue under the K-Taxonomy or EU Taxonomy and does not imply the overall environmental sustainability of products throughout their life cycle.

Environmental _ Waste Management

* Refer to page 151 for footnotes.

Waste Management Targets

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Zero Waste to Landfill Sites [1)]	Sites	1	4	5	1	4	5	1	4	5

Waste Generation

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Total Waste Generated	ton	22,315	111,667	133,982	18,178	94,700	112,878	19,620	87,779	107,399
Hazardous Waste	ton	10,937	15,402	26,339	7,896	11,158	19,053	9,535	9,572	19,107
Radioactive Waste	ton	0	0	0	0	0	0	0	0	0
Other Hazardous Waste	ton	10,937	15,402	26,339	7,896	11,158	19,053	9,535	9,572	19,107
Non-hazardous Waste	ton	11,378	96,265	107,642	10,282	83,543	93,825	10,084	78,207	88,292

Waste Disposal

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Waste Disposed	ton	1,323	8,933	10,256	1,519	4,014	5,533	1,501	3,571	5,072
Waste Disposal Rate	%	6%	8%	8%	8%	4%	5%	8%	4%	5%
Hazardous Waste	ton	352	5,585	5,937	266	2,875	3,141	452	1,741	2,193
Incineration (without Energy Recovery)	ton	37	0	37	55	0	55	62	0	62
Incineration (with Energy Recovery)	ton	316	5,585	5,900	211	2,875	3,086	390	1,741	2,131
Landfill	ton	0	0	0	0	0	0	0	0	0
Unknown Disposal Method	ton	0	0	0	0	0	0	0	0	0
Non-hazardous Waste	ton	971	3,348	4,319	1,253	1,139	2,391	1,049	1,829	2,879
Incineration (without Energy Recovery)	ton	190	0	190	261	0	261	266	0	266
Incineration (with Energy Recovery)	ton	704	3,292	3,996	899	1,048	1,947	747	1,120	1,867
Landfill	ton	77	56	133	93	91	183	36	710	746
Unknown Disposal Method	ton	0	0	0	0	0	0	0	0	0

Waste Recovery

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Waste Recovered (Recycled and Reused)	ton	20,992	102,762	123,754	16,659	90,687	107,346	18,119	84,208	102,326
Waste Recovery Rate	%	94%	92%	92%	92%	96%	95%	92%	96%	95%
Hazardous Waste	ton	10,585	9,818	20,403	7,630	8,282	15,912	9,084	7,831	16,914
Recycled/Reused	ton	10,585	9,818	20,403	7,626	8,282	15,908	9,084	7,740	16,824
Other Recovery Methods	ton	0	0	0	4	0	4	0	90	90
Non-hazardous Waste	ton	10,407	92,944	103,351	9,029	82,404	91,434	9,035	76,377	85,412
Recycled/Reused	ton	10,396	87,460	97,856	9,022	76,804	85,826	9,014	72,613	81,627
Other Recovery Methods	ton	11	5,484	5,495	7	5,600	5,608	21	3,764	3,785

Social _ Labor Relations

* Refer to page 151 for footnotes.

Category	Unit	2023	2024	2025
		Total	Total	Total
Percentage of Employees Covered by Collective Bargaining Agreements	%	48%	42%	37%
Employees Eligible for Union Membership	Employees	16,909	13,332	11,994
Union Members	Employees	14,724	11,040	10,178

Social _ Talent Acquisition

* Refer to page 151 for footnotes.

New Hires

Category		Unit	2023			2024			2025		
			Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
New Hires		Employees	1,379	2,763	4,142	850	1,561	2,411	579	2,770	3,349
Gender	Male	Employees	1,054	2,098	3,152	583	1,095	1,678	425	1,966	2,391
	Female	Employees	325	665	990	267	466	733	154	804	958
Age Group	Under 30	Employees	618	1,833	2,451	405	840	1,245	404	1,227	1,631
	30 to Under 50	Employees	728	862	1,590	412	616	1,028	167	1,281	1,448
	50 and Above	Employees	33	68	101	33	105	138	8	262	270
Country	Korea	Employees	1,379	N/A	1,379	850	N/A	850	579	N/A	579
	China	Employees	N/A	1,319	1,319	N/A	19	19	N/A	176	176
	United States	Employees	N/A	261	261	N/A	1,011	1,011	N/A	2,449	2,449
	Poland	Employees	N/A	1,183	1,183	N/A	530	530	N/A	145	145
	Others	Employees	N/A	0	0	N/A	1	1	N/A	0	0
Newly Hired Regular Employees		Employees	1,313	1,217	2,530	774	784	1,558	500	2,432	2,932
Gender	Male	Employees	1,003	838	1,841	556	580	1,136	367	1,707	2,074
	Female	Employees	310	379	689	218	204	422	133	725	858
Age Group	Under 30	Employees	579	695	1,274	383	277	660	350	1,053	1,403
	30 to Under 50	Employees	718	463	1,181	386	411	797	147	1,125	1,272
	50 and Above	Employees	16	59	75	5	96	101	3	254	257
Country	Korea	Employees	1,313	N/A	1,313	774	N/A	774	500	N/A	500
	China	Employees	N/A	41	41	N/A	0	0	N/A	6	6
	United States	Employees	N/A	260	260	N/A	741	741	N/A	2,423	2,423
	Poland	Employees	N/A	916	916	N/A	43	43	N/A	3	3
	Others	Employees	N/A	0	0	N/A	0	0	N/A	0	0

Category		Unit	2023			2024			2025		
			Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Newly HiredNon-regular Employees		Employees	66	1,546	1,612	76	777	853	79	338	417
Gender	Male	Employees	51	1,260	1,311	27	515	542	58	259	317
	Female	Employees	15	286	301	49	262	311	21	79	100
Age Group	Under 30	Employees	39	1,138	1,177	22	563	585	54	174	228
	30 to Under 50	Employees	10	399	409	26	205	231	20	156	176
	50 and Above	Employees	17	9	26	28	9	37	5	8	13
Country	Korea	Employees	66	N/A	66	76	N/A	76	79	N/A	79
	China	Employees	N/A	1,278	1,278	N/A	19	19	N/A	170	170
	United States	Employees	N/A	1	1	N/A	270	270	N/A	26	26
	Poland	Employees	N/A	267	267	N/A	487	487	N/A	142	142
	Others	Employees	N/A	0	0	N/A	1	1	N/A	0	0
*Average Recruitment Cost (Korea) [1]		KRW			1,922,756			2,591,787			3,963,550

Internal Recruitment

Category	Unit	2023	2024	2025
		Total	Total	Total
Internal Hires	Employees	213	190	114
Internal Hiring Rate [2]	Employees	13.4%	18.3%	16.5%

Social _ Employee Training and Development

* Refer to page 151 for footnotes.

Category		Unit	2023	2024	2025		
			Total	Total	Domestic	Overseas	Total
Regular Employees Trained		Employees	9,320	12,519	10,247	6,064	16,311
Gender	Male	Employees	7,741	10,280	8,077	4,291	12,368
	Female	Employees	1,579	2,239	2,170	1,773	3,943
Non-regular Employees Trained		Employees	28	270	177	4,170	4,347
Gender	Male	Employees	19	206	86	3,044	3,130
	Female	Employees	9	64	91	1,126	1,217
Total Training Hours for Regular Employees		Hours	739,398	524,650	269,727	101,377	371,104
Gender	Male	Hours	574,433	404,689	204,735	72,692	277,427
	Female	Hours	164,965	119,961	64,992	28,685	93,677
Age Group	Under 30	Hours	242,917	139,677	87,439	22,489	109,928
	30 to Under 50	Hours	476,786	365,471	167,349	70,043	237,392
	50 and Above	Hours	19,695	19,502	14,939	8,846	23,785
Job Grade	Associate / Operator	Hours	228,470	115,276	64,616	28,752	93,368
	Specialist / Advanced Operator	Hours	200,226	119,125	71,943	31,528	103,471
	Professional	Hours	291,404	282,199	124,360	19,951	144,311
	Senior Operator	Hours	8,752	2,448	1,224	14,045	15,268
	Lead Operator	Hours	1,257	868	181	6,209	6,390
	Research Fellow	Hours	300	3,057	1,171	0	1,171
	Expert Advisor	Hours	2,179	1,677	744	0	744
	Other Job Grades [1]	Hours	6,810	0	5,489	894	6,383
Total Training Hours for Non-regular Employees		Hours	2,978	7,450	2,049	71,073	73,122
Gender	Male	Hours	872	5,643	1,364	51,752	53,116
	Female	Hours	2,106	1,807	685	19,321	20,006
Training and Development Expenditure		KRW Million	30,266	27,204	19,232	N/A	19,232
Average Training Hours per Employee [2]		Hours / Employee	64.9	45.2	22.7	8.3	31.0
Average Training Expenditure per Employee [3]		KRW Million / Employee	2.6	2.3	1.6	N/A	1.6

Social _ Occupational Health & Safety Management

* Refer to page 151 for footnotes.

Occupational Health and Safety Management System

Category	Unit	2023	2024	2025
		Total	Total	Total
Sites Subject to OH&S Management System Certification	Sites	11	11	11
OH&S Management System-Certified Sites	Sites	11	11	11
Certification Rate	%	100%	100%	100%

Safety and Environmental Assessment

Category	Unit	2023			2024			2025		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Improvement Actions	Cases	2,762	20,964	23,726	2,405	15,935	18,340	1,983	8,695	10,678

Employee Occupational Health and Safety Performance

Category		Unit	2023			2024			2025		
			Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Occupational Injuries	Fatalities	Employees	0	0	0	0	0	0	0	0	0
	Injuries	Employees	9	12	21	6	11	17	11	16	27
	Lost Time Injury Cases (LTI Cases)	Cases	9	12	21	6	11	17	11	16	27
	Lost Time Injury Frequency Rate (LTIFR) [1]	Cases per Million Hours Worked	0.33	0.21	0.25	0.21	0.23	0.22	0.38	0.32	0.34
	Recordable Injury Cases	Cases	9	12	21	6	11	17	11	16	27
	Fatality Rate [2]	%oo	0	0	0	0	0	0	0	0	0
Occupational Illnesses	Fatalities	Employees	0	0	0	0	0	0	0	0	0
	Occupational Illness Cases	Cases	0	0	0	0	0	0	0	0	0
	Occupational Illness Frequency Rate (OIFR) [3]	Cases per Million Hours Worked	0	0	0	0	0	0	0	0	0

Occupational Health and Safety Performance of On-site Non-employees

Category		Unit	2023			2024			2025		
			Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Occupational Injuries	Fatalities [4]	Employees	N/A	N/A	0	0	0	0	0	1 [5]	1
	Injuries	Employees	N/A	N/A	8	6	3	9	13	2	15
	Lost Time Injury Cases (LTI Cases)	Cases	N/A	N/A	8	6	3	9	13	3	16
	Recordable Injury Cases	Cases	N/A	N/A	8	6	3	9	13	3	16
Occupational Illnesses	Fatalities	Employees	N/A	N/A	0	0	0	0	0	0	0
	Occupational Illness Cases	Cases	N/A	N/A	0	0	0	0	0	0	0
	Occupational Illness Frequency Rate (OIFR)	Cases per Million Hours Worked	N/A	N/A	0	0	0	0	0	0	0

Social _ Employee Profile

* Refer to page 151 for footnotes.

Employee Profile

Category		Unit	2023			2024			2025		
			Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Total Employees [1]		Employees	11,441	23,977	35,418	11,760	20,311	32,071	11,974	20,744	32,718
Gender	Male	Employees	9,338	16,460	25,798	9,478	14,543	24,021	9,624	15,129	24,753
	Female	Employees	2,103	7,517	9,620	2,282	5,768	8,050	2,350	5,615	7,965
	Male Percentage	%	82%	69%	73%	81%	72%	75%	80%	73%	76%
	Female Percentage	%	18%	31%	27%	19%	28%	25%	20%	27%	24%
Employment Type	Regular Employees	Employees	11,208	20,701	31,909	11,525	17,064	28,589	11,756	18,404	30,160
	Male	Employees	9,153	14,257	23,410	9,303	12,097	21,400	9,456	13,254	22,710
	Female	Employees	2,055	6,444	8,499	2,222	4,967	7,189	2,300	5,150	7,450
	Non-regular Employees	Employees	233	3,276	3,509	235	3,247	3,482	218	2,340	2,558
	Male	Employees	185	2,203	2,388	175	2,446	2,621	168	1,875	2,043
	Female	Employees	48	1,073	1,121	60	801	861	50	465	515
	Regular Employee Percentage	%	98%	86%	90%	98%	84%	89%	98%	89%	92%
	Non-regular Employee Percentage	%	2%	14%	10%	2%	16%	11%	2%	11%	8%
	Employees with Non-guaranteed Hours	Employees	0	0	0	0	0	0	0	0	0
	Male	Employees	0	0	0	0	0	0	0	0	0
	Female	Employees	0	0	0	0	0	0	0	0	0

Category		Unit	2023			2024			2025		
			Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Country (Regular Employees)	Korea	Employees	11,208	N/A	11,208	11,525	N/A	11,525	11,756	N/A	11,756
	Male	Employees	9,153	N/A	9,153	9,303	N/A	9,303	9,456	N/A	9,456
	Female	Employees	2,055	N/A	2,055	2,222	N/A	2,222	2,300	N/A	2,300
	Female Percentage	%	18%	N/A	18%	19%	N/A	19%	20%	N/A	20%
	China	Employees	N/A	12,565	12,565	N/A	9,022	9,022	N/A	8,062	8,062
	Male	Employees	N/A	8,753	8,753	N/A	6,431	6,431	N/A	5,785	5,785
	Female	Employees	N/A	3,812	3,812	N/A	2,591	2,591	N/A	2,277	2,277
	Female Percentage	%	N/A	30%	30%	N/A	29%	29%	N/A	28%	28%
	United States	Employees	N/A	4,363	4,363	N/A	3,126	3,126	N/A	4,417	4,417
	Male	Employees	N/A	3,112	3,112	N/A	2,308	2,308	N/A	3,243	3,243
	Female	Employees	N/A	1,251	1,251	N/A	818	818	N/A	1,174	1,174
	Female Percentage	%	N/A	29%	29%	N/A	26%	26%	N/A	27%	27%
	Canada	Employees	N/A	N/A	N/A	N/A	488	488	N/A	1,099	1,099
	Male	Employees	N/A	N/A	N/A	N/A	479	479	N/A	1,062	1,062
	Female	Employees	N/A	N/A	N/A	N/A	9	9	N/A	37	37
	Female Percentage	%	N/A	N/A	N/A	N/A	2%	2%	N/A	3%	3%
	Poland	Employees	N/A	3,425	3,425	N/A	4,093	4,093	N/A	4,431	4,431
	Male	Employees	N/A	2,132	2,132	N/A	2,609	2,609	N/A	2,833	2,833
	Female	Employees	N/A	1,293	1,293	N/A	1,484	1,484	N/A	1,598	1,598
	Female Percentage	%	N/A	38%	38%	N/A	36%	36%	N/A	36%	36%
	Germany	Employees	N/A	N/A	N/A	N/A	102	102	N/A	94	94
	Male	Employees	N/A	N/A	N/A	N/A	71	71	N/A	64	64
	Female	Employees	N/A	N/A	N/A	N/A	31	31	N/A	30	30
	Female Percentage	%	N/A	N/A	N/A	N/A	30%	30%	N/A	32%	32%
	Indonesia	Employees	N/A	N/A	N/A	N/A	199	199	N/A	272	272
	Male	Employees	N/A	N/A	N/A	N/A	176	176	N/A	246	246
	Female	Employees	N/A	N/A	N/A	N/A	23	23	N/A	26	26
	Female Percentage	%	N/A	N/A	N/A	N/A	12%	12%	N/A	10%	10%
	Others	Employees	N/A	348	348	N/A	34	34	N/A	29	29
	Male	Employees	N/A	260	260	N/A	23	23	N/A	21	21
	Female	Employees	N/A	88	88	N/A	11	11	N/A	8	8
	Female Percentage	%	N/A	25%	25%	N/A	32%	32%	N/A	28%	28%
Age Group (Regular Employees)	Under 30	Employees	2,428	7,683	10,111	2,184	5,120	7,304	1,923	4,917	6,840
	30 to Under 50	Employees	8,241	11,622	19,863	8,742	10,801	19,543	9,137	12,218	21,355
	50 and Above	Employees	539	1,396	1,935	599	1,143	1,742	696	1,269	1,965

Category			Unit	2023			2024			2025		
				Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Position	Employees in Leadership Positions [2]		Employees	1,149	3,880	5,029	1,159	4,124	5,283	987	2,686	3,673
	Male		Employees	1,070	3,012	4,082	1,087	3,198	4,285	917	2,115	3,032
	Female		Employees	79	868	947	72	926	998	70	571	641
	Female Percentage		%	7%	22%	19%	6%	22%	19%	7%	21%	17%
	Senior Management		Employees	96	21	117	108	20	128	92	23	115
	Male		Employees	92	21	113	104	20	124	88	23	111
	Female		Employees	4	0	4	4	0	4	4	0	4
	Female Percentage		%	4%	0%	3%	4%	0%	3%	4%	0%	3%
	Middle Management		Employees	N/A	N/A	N/A	N/A	N/A	N/A	126	92	218
	Male		Employees	N/A	N/A	N/A	N/A	N/A	N/A	119	89	208
	Female		Employees	N/A	N/A	N/A	N/A	N/A	N/A	7	3	10
	Female Percentage		%	N/A	N/A	N/A	N/A	N/A	N/A	6%	3%	5%
	Junior Management		Employees	N/A	N/A	N/A	N/A	N/A	N/A	769	2,571	3,340
	Male		Employees	N/A	N/A	N/A	N/A	N/A	N/A	710	2,003	2,713
	Female		Employees	N/A	N/A	N/A	N/A	N/A	N/A	59	568	627
	Female Percentage		%	N/A	N/A	N/A	N/A	N/A	N/A	8%	22%	19%
	Local Employees in Leadership Positions		Employees	N/A	3,880	3,880	N/A	3,795	3,795	N/A	2,345	2,345
	Percentage of Local Employees in Leadership Positions		%	N/A	16%	16%	N/A	20%	20%	N/A	12%	12%
Job Grade	Office Workers	Professional and Above	Employees	4,864	N/A	4,864	5,162	N/A	5,162	5,641	3,050	8,691
		Associate / Specialist	Employees	4,426	N/A	4,426	4,431	N/A	4,431	4,287	4,559	8,846
	Production Workers	Senior Operator / Lead Operator	Employees	790	N/A	790	904	N/A	904	1,050	3,303	4,353
		Operator / Advanced Operator	Employees	1,263	N/A	1,263	1,155	N/A	1,155	996	9,832	10,828
Sales and R&D Workforce	Regular Employees in R&D-related Functions		Employees	N/A	N/A	4,067	N/A	N/A	4,218	4,622	338	4,960
	Male		Employees	N/A	N/A	3,047	N/A	N/A	3,157	3,457	242	3,699
	Female		Employees	N/A	N/A	1,020	N/A	N/A	1,061	1,165	96	1,261
	Female Percentage		%	N/A	N/A	25%	N/A	N/A	25%	25%	28%	25%
	Regular Employees in Sales-related Functions		Employees	N/A	N/A	13,801	N/A	N/A	13,801	5,677	16,948	22,625
	Male		Employees	N/A	N/A	10,050	N/A	N/A	10,050	4,983	12,454	17,437
	Female		Employees	N/A	N/A	3,751	N/A	N/A	3,751	694	4,494	5,188
	Female Percentage		%	N/A	N/A	27%	N/A	N/A	27%	12%	27%	23%
	Employees in Leadership Positions within Sales-related Functions		Employees	N/A	N/A	13,801	N/A	N/A	13,801	421	2,102	2,523
	Male		Employees	N/A	N/A	10,050	N/A	N/A	10,050	410	1,657	2,067
	Female		Employees	N/A	N/A	3,751	N/A	N/A	3,751	11	445	456
	Female Percentage		%	N/A	N/A	27%	N/A	N/A	27%	3%	21%	18%

Category		Unit	2023			2024			2025		
			Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Employment of Persons with Disabilities	Employees with Disabilities [3]	Employees	200	53	253	240	73	313	237	28	265
	Employment Rate of Persons with Disabilities [4]	%	1.8%	0.3%	0.8%	2.1%	0.4%	1.1%	2.0%	0.2%	0.9%
Veterans and Persons of National Merit		Employees	N/A	N/A	75	N/A	N/A	76	N/A	N/A	83

※ For domestic operations, information on workers not directly employed by the Company is disclosed through the Annual Report and the Employment Type Disclosure System.

Social _ Employee Turnover

* Refer to page 151 for footnotes.

Employee Turnover

Category			Unit	2023			2024			2025		
				Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Employee Departures (Voluntary and Involuntary)			Employees	215	4,972	5,187	311	5,684	5,995	268	3,703	3,971
Voluntary Departures [1]			Employees	172	1,501	1,673	245	1,259	1,504	231	1,349	1,580
Voluntary Turnover Rate [2]			%	1.5%	6.3%	4.7%	2.1%	6.2%	4.7%	1.9%	6.5%	4.8%
Gender	Male		Employees	131	1,101	1,232	196	884	1,080	176	960	1,136
	Female		Employees	41	400	441	49	375	424	55	389	444
	Male Voluntary Turnover Rate		%	1.4%	7.7%	5.3%	2.1%	7.3%	5.0%	1.9%	7.2%	5.0%
	Female Voluntary Turnover Rate		%	2.0%	6.2%	5.2%	2.2%	7.5%	5.9%	2.4%	7.6%	6.0%
Age Group (Regular Employees)	Under 30		Employees	53	863	916	98	648	746	67	546	613
	30 to Under 50		Employees	112	538	650	143	527	670	158	657	815
	50 and Above		Employees	7	100	107	4	84	88	6	146	152
	Voluntary Turnover Rate (Under 30)		%	2.2%	11.2%	9.1%	4.5%	12.7%	10.2%	3.5%	11.1%	9.0%
	Voluntary Turnover Rate (30 to Under 50)		%	1.4%	4.6%	3.3%	1.6%	4.9%	3.4%	1.7%	5.4%	3.8%
	Voluntary Turnover Rate (50 and Above)		%	1.3%	7.2%	5.5%	0.7%	7.3%	5.1%	0.9%	11.5%	7.7%
Job Grade	Office Workers	Professional and Above	Employees	N/A	N/A	N/A	N/A	N/A	N/A	113	131	244
		Associate / Specialist	Employees	N/A	N/A	N/A	N/A	N/A	N/A	118	434	552
	Production Workers	Senior Operator / Lead Operator	Employees	N/A	N/A	N/A	N/A	N/A	N/A	0	97	97
		Operator / Advanced Operator	Employees	N/A	N/A	N/A	N/A	N/A	N/A	0	687	687

Category		Unit	2023			2024			2025		
			Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Country	Korea	Employees	172	N/A	172	245	N/A	245	231	N/A	231
	China	Employees	N/A	683	683	N/A	279	279	N/A	126	126
	United States	Employees	N/A	232	232	N/A	324	324	N/A	565	565
	Canada	Employees	N/A	N/A	N/A	N/A	6	6	N/A	97	97
	Poland	Employees	N/A	531	531	N/A	557	557	N/A	513	513
	Germany	Employees	N/A	N/A	N/A	N/A	4	4	N/A	4	4
	Indonesia	Employees	N/A	N/A	N/A	N/A	6	6	N/A	40	40
	Others	Employees	N/A	55	55	N/A	83	83	N/A	4	4

Social _ Parental Leave

* Refer to page 151 for footnotes.

Parental Leave

Category	Unit	2023	2024	2025
		Total	Total	Total
Employees Taking Parental Leave [1]	Employees	314	388	522
Male	Employees	158	223	314
Female	Employees	156	165	208
Employees Returning from Parental Leave	Employees	198	220	289
Male	Employees	107	134	202
Female	Employees	91	86	87

Social _ Employee Benefits

* Refer to page 151 for footnotes.

Employee Benefits Expenses [1]

Category	Unit	2023	2024	2025
		Total	Total	Total
Employee Benefits Expenses	KRW 100 Million	2,075	2,265	2,352
Employee Benefits Expenses per Employee [2]	KRW 100 Million / Employee	0.06	0.07	0.07

Social _ Information Security Management

* Refer to page 151 for footnotes.

Information Security Management

Category	Unit	2023	2024	2025
		Total	Total	Total
Information Security Investment [1]	KRW 100 Million	212	213	161
Information Security-related Fines and Penalties	KRW 100 Million	0	0	0

Information Security Training

Category	Unit	2023	2024	2025
		Total	Total	Total
Training Sessions	Sessions	4	4	3 [2]
Participants	Participants	29,795	29,030	23,928

Social _ Community Engagement

* Refer to page 151 for footnotes.

Community Engagement

Category	Unit	2023	2024	2025
		Total	Total	Total
Community Engagement Activities	Activities	172	175	81
Community Engagement Expenditure	KRW Million	8,708	9,998	976
Employee Volunteer Hours [1]	Hours	N/A	N/A	3,085
Volunteer Hours per Employee	Hours/Employee	N/A	N/A	0.09

Social _ Sustainable Value Chain

* Refer to page 151 for footnotes.

Sustainable Value Chain [1]

Category		Unit	2023	2024	2025
			Total	Total	Total
Core Tier-1 Suppliers Subject to Regular ESG Assessments		Suppliers	145	145	115
New Suppliers Included in ESG Assessments		Suppliers	10	14	8
SAQ Completion Rate for Tier-1 Suppliers		%	73.7%	69.7%	56.5%
SAQ Completion Rate for Core Tier-1 Suppliers		%	98.6%	95.2%	93.9%
Tier-1 Supplier On-site Audit [2]	On-site Audit Completion Rate for High-risk Suppliers [3]	%	22.2%	30.8%	27.1%
	On-site Audit Completion Rate for Core Suppliers	%	13.8%	13.8%	17.4%
	On-site Audit Completion Rate for High-risk Core Suppliers	%	22.2%	30.8%	27.1%
Suppliers with Business Relationships Terminated Due to Adverse Impacts		Suppliers	0	0	0

Governance_ Corporate Governance

* Refer to page 151 for footnotes.

Category		Unit	2023	2024	2025
			Total	Total	Total
Board Composition	Total Directors	Directors	7	7	7
	Independent Director Percentage	%	57%	57%	57%
	Inside Directors	Directors	2	2	2
	Independent Directors (including Non-executive Directors)	Directors	4	4	4
	Non-standing Directors	Directors	1	1	1
Board Operations	Board Meetings Held	Meetings	9	8	7
	Average Board Attendance Rate	%	97%	96%	100%
	Board Resolution Items	Items	24	30	25
	Dissenting or Revision Opinions by Independent Directors	Cases	0	0	0
	Average Board Tenure	Months	26	35	45
Board Diversity	Female Directors	Directors	2	2	2
	Male Directors	Directors	5	5	5
	Female Director Percentage	%	29%	29%	29%
	Directors with Industry Expertise	Directors	3	3	3
	Board Expertise	-	57	57	57
Audit Committee	Total Committee Members	Directors	3	4	4
	Committee Meetings Held	Meetings	5	6	5
	Committee Agenda Items Reported	Items	12	11	11
	Committee Agenda Items Approved	Items	4	7	4

Governance_ Jeong-Do Management

* Refer to page 151 for footnotes.

Category		Unit	2023	2024	2025
			Total	Total	Total
Corruption Risk Assessment	Confirmed Incidents of Corruption and Actions Taken [1]	Cases	8	8	1
	Confirmed Disciplinary Actions and Measures Taken	Cases	12	9	1
	Suppliers with Contracts Terminated Due to Corruption Violations	Suppliers	13	4	0
	Suppliers Not Renewed Due to Corruption Violations	Suppliers	0	0	0
	Percentage of Sites Assessed for Corruption Risks	%	43%	50%	73%
	High-risk Sites Identified	Sites	0	0	0
Percentage of Employees Receiving Anti-corruption Training	Korea	%	98%	98%	97%
	United States	%	36%	60%	58%
	Poland	%	15%	71%	68%
	China	%	36%	87%	97%
Discrimination and Harassment	Incidents	Cases	7	3	8
	Cases Resolved	Cases	7	3	8
Sexual Harassment	Incidents	Cases	8	5	6
	Cases Resolved	Cases	8	5	6
Regulatory Violations [2]	Violations	Cases	2	1	2 [3]
	Amount of Fines and Penalties	KRW 100 Million	8.7	0.2	0.83

Governance_ Fair Trade Compliance

* Refer to page 151 for footnotes.

Category		Unit	2023	2024	2025
			Total	Total	Total
Fair Trade Compliance Training	Participants	Participants	18,722	11,585	10,230
	Training Hours	Hours	3,760	2,822	2,168
Fair Trade Violations	Cases Under Legal Proceedings	Cases	0	0	0
	Cases with Completed Legal Proceedings	Cases	0	0	0
	Fines and Penalties	KRW 100 Million	0	0	0

Footnotes

Energy	1) Certain historical data have been recalculated and restated. 2) For Korea, data are based on GHG inventory reports; totals may differ due to site-level rounding. 3) Energy Consumption Intensity = Energy Consumption (TJ) ÷ Revenue on a Consolidated Basis (KRW 100 Million) 4) Certain historical data have been recalculated and restated. 5) The renewable electricity transition rate is based on renewable electricity procurement performance and has been verified by an independent third party.
Greenhouse Gas Emissions	1) GHG Emissions Intensity = GHG Emissions (tCO-eq) ÷ Revenue on a Consolidated Basis (KRW 100 Million) 2) GHG emissions reduction performance is estimated based on the Company's internal methodology.
Environmental Management	1) Reported using the same criteria as the "Sanctions and Administrative Actions" section of the Annual Report.
Pollution Management	1) Certain historical data have been recalculated and restated. 2) Historical data have been revised to include Poland in the reporting scope. 3) Water Pollutant Discharge Intensity = Total Water Pollutant Discharges (kg) ÷ Revenue on a Consolidated Basis (KRW 100 Million) 4) Domestic sites are reported based on TOC following regulatory revisions.
Water Management	1) Water discharge is calculated as sewage plus wastewater; historical data have been recalculated and restated accordingly. 2) Discharge volumes used to calculate water consumption exclude LGESOT and joint ventures. 3) Based on Ochang Energy Plant 1 and 2. 4) LGESOT and joint ventures are excluded due to data availability limitations.
Waste Management	1) Zero Waste to Landfill Sites are sites certified as Zero Waste to Landfill.
Talent Acquisition	1) Average Recruitment Cost = Recruitment Costs for the Reporting Year ÷ External Hires during the Reporting Year 2) Internal Hiring Rate = Internal Hires ÷ (External Hires + Internal Hires)
Employee Training and Development	1) Other Job Grades: Interns, etc. 2) Average Training Hours per Employee = Total Training Hours for Employees ÷ Total Employees 3) Average Training Expenditure per Employee = Total Training Expenditure for Employees ÷ Total Employees
Occupational Health & Safety Management	1) LTIFR = (Number of Lost Time Injuries ÷ Total Hours Worked) × 1,000,000 2) Fatality Rate = (Occupational Injury Fatalities ÷ Total Workforce) × 10,000 3) OIFR = (Occupational Illness Cases ÷ Total Hours Worked) × 1,000,000 4) Fatalities among on-site non-employees are managed and aggregated under the EHS system. 5) MIOSHA investigation results for this incident are pending.
Employee Profile	1) Employee data may differ from the Annual Report due to differences in data collection methods, including for interns. 2) Detailed classification of leadership positions has been applied since 2025 3) In Korea, employees with disabilities are reported based on actual headcount and may differ from statutory reporting criteria. For overseas operations, data are collected only from individuals who voluntarily self-identify. 4) Employment Rate of Persons with Disabilities (%) = Employees with Disabilities ÷ Regular Employees

Employee Turnover	1) Voluntary turnover excludes involuntary turnover, such as dismissals, layoffs, mandatory retirement, death, and terminations due to restructuring or mergers. 2) Voluntary Turnover Rate (%) = Voluntary Departures ÷ Total Employees. 2023–2024 data have been restated due to methodology changes. (Historical denominator: regular employees only.)
Parental Leave	1) Data are reported based on Korean standards only due to differences in parental leave systems by country; certain overseas subsidiary data have been excluded. Employees taking parental leave include all employees who used parental leave during the reporting period and may differ from Annual Report figures.
Employee Benefits	1) Employee benefits expenses are based on amounts disclosed in the Annual Report. 2) Employee Benefits Expenses per Employee = Consolidated Employee Benefits Expenses ÷ Total Employees for the Reporting Year
Information Security Management	1) Historical data have been revised based on Information Security Disclosure reports. 2) In 2023–2024, training was held twice domestically and twice overseas; in 2025, overseas training was consolidated into one session.
Community Engagement	1) Data collection began in 2025.
Sustainable Value Chain	1) The reporting basis for ESG assessment results was changed to the assessment year; historical year classifications have been restated. 2) On-site audit targets are selected by prioritizing high-risk suppliers while considering factors such as prior-year audit history and the need for proactive due diligence in preparation for the EU CSDDD, in line with the Company's broader strategy to expand supplier audits across the supply chain. 3) Relevant data have been restated due to changes in the internal definition of high-risk suppliers.
Jeong-Do Management	1) Corruption cases are reported based on incidents involving bribery and asset misappropriation. 2) Regulatory violations are reported using the same criteria as the Annual Report. 3) An employee was found guilty in the first trial in January 2026 for violations of the Industrial Technology Protection Act and breach of fiduciary duty related to the disclosure of trade secrets and receipt of consulting fees. As the case is under appeal, the related amount was excluded from reported fines and penalties. Preventive measures include strengthened system security policies, enhanced controls over personnel handling critical technology information, and a ban on unauthorized external consulting. In September 2025, the Company paid a USD 60,000 FAA fine for violations of U.S. hazardous materials transportation regulations related to the air shipment of lithium-ion batteries, including undeclared hazardous materials and improper packaging. Preventive measures include revising the sample shipment checklist and implementing system controls requiring checklist completion before shipment.

Appendix

153 GRI Index

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GRI Index

Statement of use	LG Energy Solution reports its sustainability performance for the period from January 1, 2025 to December 31, 2025 in accordance with the GRI Standards 2021.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	No GRI Sector Standards applicable to LG Energy Solution have been issued as of the publication date of this report.

GRI standard	Code	Disclosure	Page	Remarks
The organization and its reporting practices	2-1	Organizational details	7, 11	
	2-2	Entities included in the organization's sustainability reporting	2	
	2-3	Reporting period, frequency and contact point	2	
	2-4	Restatements of information	-	Changes to reported data are separately indicated in the relevant sections.
	2-5	External assurance	162-163	
Activities and Workers	2-6	Activities, value chain and other business relationships	11-15	
	2-7	Employees	146-147	
	2-8	Workers who are not employees	146-147	
Governance	2-9	Governance structure and composition	114	
	2-10	Nomination and selection of the highest governance body	114	
	2-11	Chair of the highest governance body	114	
	2-12	Role of the highest governance body in overseeing the management of impacts	24	
	2-13	Delegation of responsibility for managing impacts	24	
	2-14	Role of the highest governance body in sustainability reporting	24	
	2-15	Conflicts of interest	115	
	2-16	Communication of critical concerns	24	
	2-17	Collective knowledge of the highest governance body	115	
	2-18	Evaluation of the performance of the highest governance body	117-118	
	2-19	Remuneration policies	118	
	2-20	Process to determine remuneration	118	
	2-21	Annual total compensation ratio	FY2025 Annual Report, p.329–334	1. Status of Executives and Employees – 3) Employee Status; 2. Remuneration of Executives

GRI standard	Code	Disclosure	Page	Remarks
Governance	2-22	Statement on sustainable development strategy	6	
	2-23	Policy commitments	128	
	2-24	Embedding policy commitments	128	
	2-25	Processes to remediate negative impacts	124	
	2-26	Mechanisms for seeking advice and raising concerns	95	
	2-27	Compliance with laws and regulations	FY2025 Annual Report p.343	Matters Related to Sanctions and Administrative Actions
	2-28	Membership associations	137	
	2-29	Approach to stakeholder engagement	30	
	2-30	Collective bargaining agreements	96	

Material Topic & Topic Standards

GRI standard	Code	Disclosure	Page	Remarks
GRI 3: Material Topic 2021	3-1	Process to determine material topics	26	
	3-2	List of material topics	29	

Material Topic 1. Climate Change

GRI standard	Code	Disclosure	Page	Remarks
GRI 3: Material Topic 2021	3-3	Management of material topics	29	
GRI 201: Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	35-38	
GRI 302: Energy	302-1	Energy consumption within the organization	140-141	
	302-2	Energy consumption outside of the organization	140-141	
	302-3	Energy intensity	140-141	
	302-4	Reduction of energy consumption	140-141	
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	141	
	305-2	Energy indirect (Scope 2) GHG emissions	141	
	305-3	Other indirect (Scope 3) GHG emissions	141	
	305-4	GHG emissions intensity	141	
	305-5	Reduction of GHG emissions	141	
	305-6	Emissions of ozone-depleting substances (ODS)	-	No purchase or use of ozone-depleting substances (ODS) during the reporting period.

Material Topic 2. Raw Material Sourcing Risk

GRI standard	Code	Disclosure	Page	Remarks
GRI 3: Material Topic 2021	3-3	Management of material topics	29	
GRI 308: Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	72-74, 149	
	308-2	Negative environmental impacts in the supply chain and actions taken	72-75, 149	
GRI 407: Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	No significant impacts or issues related to freedom of association, child labor, or forced labor were identified during the reporting period.
GRI 408: Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	-	
GRI 409: Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	
GRI 411: Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	-	
GRI 414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	72-74, 149	
	414-2	Negative social impacts in the supply chain and actions taken	72-74, 149	

Material Topic 3. Occupational Health and Safety

GRI standard	Code	Disclosure	Page	Remarks
GRI 3: Material Topic 2021	3-3	Management of material topics	29	
GRI 403 : Occupational Health and Safety	403-1	Occupational health and safety management system	84	
	403-2	Hazard identification, risk assessment, and incident investigation	86	
	403-3	Occupational health services	87-88	
	403-4	Worker participation, consultation, and communication on occupational health and safety	87	
	403-5	Worker training on occupational health and safety	87	
	403-6	Promotion of worker health	87-88	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	89	
	403-8	Workers covered by an occupational health and safety management system	84	
	403-9	Work-related injuries	146	
	403-10	Work-related ill health	146	

Material Topic 4. Resource Inflows and Resource Use

GRI standard	Code	Disclosure	Page	Remarks
GRI 3 : Material Topic 2021	3-3	Management of material topics	29	
GRI 301 : Materials	301-1	Materials used by weight or volume	Confidentiality constraints	Due to the nature of the industry, detailed data related to raw materials and packaging materials are not publicly disclosed for business reasons.
	301-2	Recycled input materials used		
	301-3	Reclaimed products and their packaging materials	48	
GRI 306 : Waste	306-1	Waste generation and significant waste-related impacts	46	
	306-2	Management of significant waste-related impacts	49-50	
	306-3	Waste generated	143-144	
	306-4	Waste diverted from disposal	143-144	
	306-5	Waste directed to disposal	143-144	

Material Topic 5. Customer and Consumer Communication

GRI standard	Code	Disclosure	Page	Remarks
GRI 3: Material Topic 2021	3-3	Management of material topics	29	
GRI 416 : Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	80	
ESRS S4. Consumers and end-users	S4-1	Policies related to consumers and end-users	80	
	S4-2	Processes for engaging with consumers and end-users about impacts	82-83	
	S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	82-83	
	S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	82-83	
	S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	82-83	

Other GRI Topics

GRI standard	Code	Disclosure	Page	Remarks
GRI 201 : Economic Performance	201-1	Direct economic value generated and distributed (EVG&D)	8	
GRI 205 : Anti-corruption	205-1	Operations assessed for risks related to corruption	150	
	205-2	Communication and training about anti-corruption policies and procedures	120, 150	
	205-3	Confirmed incidents of corruption and actions taken	130, 150	
GRI 206 : Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	No violations, legal actions, or incidents related to anti-competitive behavior or monopoly practices were identified during the reporting period.
GRI 303 : Water and Effluents	303-1	Interactions with water as a shared resource	55-56	
	303-2	Management of water discharge-related impacts	56-57	
	303-3	Water withdrawal	142-143	
	303-4	Water discharge	142-143	
	303-5	Water consumption	142-143	
GRI 305: Emissions	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	142	
GRI 401: Employment	401-1	New employee hires and employee turnover	144-145, 148	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	107	
	401-3	Parental leave	148	
GRI 404: Training and Education	404-1	Average hours of training per year per employee	145	
	404-2	Programs for upgrading employee skills and transition assistance programs	98-101	
	404-3	Percentage of employees receiving regular performance and career development reviews	102	
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	146-148	
	405-2	Ratio of basic salary and remuneration of women to men	-	No differentiation is made based on gender.
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	150	
GRI 415: Public Policy	415-1	Political contributions	-	No political contributions were made during the reporting period.
GRI 416: Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	-	No incidents of non-compliance related to the health and safety impacts of products and services occurred during the reporting period.
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	No incidents involving breaches of customer privacy or loss of customer data occurred during the reporting period.

ESRS (European Sustainability Reporting Standards) Index

ESRS (European Sustainability Reporting Standards) are the reporting standards developed to support the implementation of the Corporate Sustainability Reporting Directive (CSRD), the European Union's mandatory sustainability reporting framework. The ESRS set out the scope and requirements of sustainability-related information that companies are required to disclose. As LG Energy Solution's Polish subsidiary (LGESWA) falls within the scope of the CSRD, the Company has established an information management system that reflects CSRD and ESRS requirements and is preparing to meet the related disclosure obligations.

ESRS 2. General Disclosures

Code	Disclosure Requirement	Page
BP-1	General basis for preparation of the sustainability statements	2
BP-2	Disclosures in relation to specific circumstances	Disclosed directly in the report
GOV-1	The role of the administrative, management and supervisory bodies	116
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	24
GOV-3	Integration of sustainability-related performance in incentive schemes	24
GOV-4	Statement on due diligence	75
GOV-5	Risk management and internal controls over sustainability reporting	-
SBM-1	Strategy, business model, and value chain	7
SBM-2	Interests and views of stakeholders	30
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	28
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	26
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statements	156

* BP(Basis for Preparation) / GOV(Governance) / SBM(Strategy and Business Model) / IRO(Impact, Risk and Opportunity)

ESRS E1. Climate Change

Code	Disclosure Requirement	Page
E1-1	Transition plan for climate change mitigation	39-41
E1-2	Policies related to climate change mitigation and adaptation	34
E1-3	Actions and resources in relation to climate change policies	39-41
E1-4	Targets related to climate change mitigation and adaptation	39-41
E1-5	Energy consumption and mix	140-141
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	141
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	141
E1-8	Internal carbon pricing	-
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	35-38

ESRS E2. Pollution

Code	Disclosure Requirement	Page
E2-1	Policies related to pollution	51
E2-2	Actions and resources related to pollution	54
E2-3	Targets related to pollution	54
E2-4	Pollution of air, water and soil	142
E2-5	Substances of concern and substances of very high concern	59-60
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	-

ESRS E3. Water and Marine Resources

Code	Disclosure Requirement	Page
E3-1	Anticipated financial effects from pollution-related impacts, risks and opportunities	55
E3-2	Actions and resources related to water and marine resources	56
E3-3	Actions and resources related to water and marine resources	56
E3-4	Water consumption	142-143
E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	-

ESRS E4. Biodiversity and Ecosystems

Code	Disclosure Requirement	Page
E4-1	Strategy and business model consideration or transition plan of biodiversity and ecosystems	62
E4-2	Policies related to biodiversity and ecosystems	62
E4-3	Actions and resources related to biodiversity and ecosystems	62
E4-4	Policies related to biodiversity and ecosystems	69-70
E4-5	Impact metrics related to biodiversity and ecosystems change	68
E4-6	Potential financial effects from biodiversity and ecosystem-related risks and opportunities	63-68

ESRS E5. Resource Use and Circular Economy

Code	Disclosure Requirement	Page
E5-1	Policies related to resource use and circular economy	46
E5-2	Actions and resources related to resource use and circular economy	46-47
E5-3	Targets related to resource use and circular economy	46-47
E5-4	Resource inflows	-
E5-5	Resource outflows	143-144
E5-6	Potential financial effects from resource use and circular economy-related impacts, risks and opportunities	29

ESRS S1. Own Workforce

Code	Disclosure Requirement	Page
S1-1	Policies related to own workforce	91
S1-2	Processes for engaging with own workers and workers' representatives about impacts	95
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	96
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	92
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	94
S1-6	Characteristics of the undertaking's employees	146-147
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	146-147
S1-8	Percentage of total employees covered by collective bargaining agreements for employees not covered by collective bargaining agreements, a description of reasons and countermeasures	96, 144
	No. of strikes, no. of work loss days due to strikes, measures and discussions to resolve strikes, etc.	No relevant cases during the reporting period.
S1-9	Average hourly wage difference between genders, ratio of women's hourly wage against men's hourly wage	Compensation is not differentiated by gender.
	Persons subject to family care leave (maternity leave, parental leave, etc.), number of persons who went on a leave, retention rate after returning to work after leave	148
S1-10	Adequate wages	102
S1-11	Social protection	107
S1-12	Persons with disabilities	148
S1-13	Percentage of employees that participated in regular performance and career development reviews	102
	Average number of training hours and expenses per person	145
S1-14	Percentage of own workers who are covered by the undertaking's health and safety management system based on legal requirements and/or recognized standards or guidelines	84
	Number and rate of work-related injuries and ill health, the number of days lost to work-related injuries, accidents, and ill health	146
S1-15	Work-life balance indicators	107, 148
S1-16	Ratio of the annual total compensation ratio of the highest paid individual to the median annual total compensation for all employees	-
S1-17	Number of work-related incidents and severe human rights impacts and incidents within its own workforce and any relatedmaterialfinesor sanctions for the reportingperiod	94
	Number of complaints and severe human rights impacts and incidents within its own workforce and any related countermeasures and plans to prevent reoccurrence	94

ESRS S2. Wokers in the Value Chain

Code	Disclosure Requirement	Page
S2-1	Policies related to value chain workers	72
S2-2	Processes for engaging with value chain workers about impacts	74
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	75, 95
S2-4	Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	74
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	29

ESRS S3. Affected Communities

Code	Disclosure Requirement	Page
S3-1	Policies related to affected communities	108
S3-2	Processes for engaging with affected communities about impacts	30, 108
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	95
S3-4	Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	95
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	-

ESRS S4. Consumers and End Users

Code	Disclosure Requirement	Page
S4-1	Policies related to consumers and end-users	80
S4-2	Processes for engaging with consumers and end-users about impacts	82-83
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	82-83
S4-4	Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	82-83
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	82-83

ESRS G1. Business Conduct

Code	Disclosure Requirement	Page
G1-1	Top decision-making body's declaration of ethical management and roles and responsibilities in relation to management and supervision	128
	Requirements in the Ethics Charter and Code of Conduct	128
G1-2	Operating the compliance program, conducting activities to make payment improvements, such as the win-win payment system	122
	Diagnosing and conducting a due diligence on supplier ESG risks, reflecting diagnosis and due diligenceresults in supplier selection criteria	74
G1-3	Activities to prevent corruption or bribery, and a system to investigate and report outcomes to the administrative, management and supervisory bodies	130
	to prevent unfair trading, and a system to investigate and report outcomes to the administrative, management and supervisory bodies	130
G1-4	Number of confirmed incidents of corruption or bribery, details of public legal cases, the number of confirmed incidents in which own workers were dismissed or disciplined	150
	Number of confirmed incidents of unfair trading, details of public legal cases, the number of confirmed incidents in which own workers were dismissed or disciplined	150
G1-5	Political influence and lobbying activities	139
G1-6	Payment practices	78

TCFD Index

The Task Force on Climate-related Financial Disclosures (TCFD), established by the Financial Stability Board (FSB), provides recommendations on the content and format of climate-related disclosures to help stakeholders, including customers and investors, access and understand climate-related information. To respond to growing stakeholder expectations for ESG management, LG Energy Solution became the first company in the Korean battery industry to publicly declare its support for the TCFD in February 2023. Through rigorous climate-related risk management and transparent disclosure, the Company strives to meet the expectations of customers and investors. LG Energy Solution is committed to supporting global efforts to limit the rise in average global temperatures by transparently disclosing climate-related information in accordance with the TCFD's four core pillars of climate-related financial disclosures: Governance, Strategy, Risk Management, and Metrics and Targets.

Pillar	Recommended Disclosure	Page
Governance	Board's oversight of climate-related risks and opportunities	34
	Management's role in assessing and managing climate-related risks and opportunities	34
Strategy	Climate-related risks and opportunities the organization has identified over the short, medium, and long term	35-38
	Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	35-38
	Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	35-38
Risk Management	Processes for identifying and assessing climate-related risks	35-38
	Processes for managing climate-related risks	35-38
	How processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	124-126
Metrics and Targets	Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	140-141
	Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions and the related risks	141
	Targets used by the organization to manage climate-related risks and opportunities and performance against targets	36-38

TNFD Index

Pillar	Recommended Disclosure	Page
Governance	The board's oversight of nature-related dependencies, impacts, risks and opportunities	62
	Management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities	62
	The organization's human rights policies and engagement activities, and board and management oversight, with respect to Indigenous Peoples, local communities, affected and other relevant stakeholders, in the organization's assessment of and response to nature-related dependencies, impacts, risks and opportunities	62
Strategy	The nature-related dependencies, impacts, risks and opportunities the organization has identified over the short, medium and long term	63-68
	The effect of nature-related dependencies, impacts, risks and opportunities on the organization's business model, value chain, strategy and financial planning, and any transition plans or analysis in place	63-68
	The resilience of the organization's strategy to nature-related risks and opportunities, taking into consideration different scenarios	63-68
	The locations of assets and activities in the organization's direct operations, and, where possible, upstream and/or downstream value chain(s), that meet the criteria for priority locations	63-68
Risk Management	The processes used by the organization to identify, assess and prioritize nature-related dependencies, impacts, risks and opportunities in its direct operations	63-68
	The processes used by the organization to identify, assess and prioritize nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s)	63-68
	The organization's processes for managing nature-related dependencies, impacts, risks and opportunities	63-68
	The extent to which and how the processes for identifying, assessing, prioritizing and monitoring nature-related dependencies, impacts, risks and opportunities are integrated into and inform the organization's overall risk management process	63-68
Metrics and Targets	The metrics used by the organization to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process	69
	The metrics used by the organization to assess and manage nature-related dependencies and impacts	69
	The targets and goals used by the organization to manage nature-related dependencies, impacts, risks and opportunities and its performance against these targets and goals	69

SASB Index

The SASB Standards, developed by the Sustainability Accounting Standards Board (SASB), provide industry-specific sustainability accounting standards. The SASB Standards were the first to organize sustainability information that is financially material to investors based on industry-specific characteristics, covering 77 industries across 11 sectors under the Sustainable Industry Classification System® (SICS®). Supporting the adoption of the SASB Standards, LG Energy Solution discloses sustainability information for the Fuel Cells & Industrial Batteries industry within the Renewable Resources & Alternative Energy sector, where sustainability-related issues may have a material impact on the Company's financial performance.

Table 1. Sustainability Disclosure Topics & Metrics

SASB Topic	Accounting Metric	Category	Accounting Metric Description	Page
Energy Management	RR-FC-130a.1	Quantitative	(1) Total Energy Consumption	140
			(2) Grid Electricity Ratio	
			(3) Renewable Energy Ratio	
Product Efficiency	RR-FC-410a.1	Quantitative	Average rated storage capacity of industrial batteries by product application and technology type	Cylindrical 21700 (for power drive) Standard: 99% or higher
	RR-FC-10a.2		Average energy efficiency of fuel cells by product application and technology type, including (1) electrical efficiency and (2) thermal efficiency	Not applicable
	RR-FC410a.3		Average battery efficiency, including coulombic efficiency, by product application and technology type	Cylindrical 21700 (for power drive) Standard: 99% or higher
	RR-FC410a.4		Average operating life of fuel cells by product application and technology type	Not applicable
	RR-FC410a.5		Average operating life of batteries by product application and technology type	Cylindrical 21700 (for power drive) Standard: 99% or higher

Table 2. Activity Metrics

SASB Topic	Accounting Metric	Category	Accounting Metric Description	Page
Activity Metrics	RR-FC-000.A	Quantitative	Number of products sold	This information is not publicly disclosed based on business judgment.
	RR-FC-000.B		Total storage capacity of batteries sold	
	RR-FC-000.C		Total energy capacity of fuel cells sold	

The Ten Principles of the UNGC

LG Energy Solution joined the United Nations Global Compact (UNGC) in April 2022 and declared its commitment to support and uphold the Ten Principles of the United Nations Global Compact across all of its business activities. The Company also supports the achievement of the United Nations Sustainable Development Goals (UN SDGs) in the areas of social inclusion, economic growth, and environmental sustainability, and discloses its related activities and performance.

UNGC Topic	The Ten Principles of the United Nations Global Compact	Page
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	90
	Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	90
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	96
	Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.	90
	Principle 5: Businesses should uphold the effective abolition of child labour.	90
	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.	90
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges.	51
	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	51
	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	51
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	128

UN SDGs

LG Energy Solution is committed to fulfilling its social responsibility as a global corporate citizen and contributing to the achievement of the UN Sustainable Development Goals (UN SDGs). Considering its direct and indirect impacts across the entire value chain, LG Energy Solution carries out various sustainability management activities aligned with 14 highly relevant Sustainable Development Goals.

Category	Description	Page
 No Poverty	• Support programs for vulnerable groups in local communities	108-110
 Good Health and Well-being	• Youth health and education programs, and environmental protection activities	108-109
 Quality Education	• Educational support activities	108-109
 Gender Equality	• Organizational culture based on gender equality and management of female talent	104
 Clean Water and Sanitation	• Water reduction initiatives for sustainable water use and primary on-site wastewater treatment considering discharge destinations	56
 Affordable and Clean Energy	• Expansion of renewable energy use to reduce carbon emissions	39-41
 Decent Work and Economic Growth	• Creation of jobs for persons with disabilities through the operation of the subsidiary “Areumnuri” • Financial support for mutual growth with suppliers	78, 104
 Industry, Innovation and Infrastructure	• Research and development of new technologies and products, including next-generation batteries	16-21

UN SDGs	Key Activities	Page
 Reduced Inequalities	• Organizational culture based on diversity, equity, and inclusion (DEI)	104
 Responsible Consumption and Production	• Establishment of a circular ecosystem through battery recycling and reuse • Minimization of environmental impact by pursuing Zero Waste to Landfill	46
 Climate Action	• Establishment of a carbon neutrality strategy • Establishment of a climate change decision-making framework • Development and operation of a global energy management system	34
 Life on Land	• Establishment of biodiversity protection policies and implementation of conservation activities	62
 Peace, Justice and Strong Institutions	• Compliance training for employees • Certification of the compliance management system under ISO 37301	119-120
 Partnerships for the Goals	• Participation in initiatives including RMI, RE100, and EV100	32

GHG Assurance Statement

GHG Assurance Statement (Scope 1, 2) in Korea

MPC-25-145

GHG Emission Verification Opinion

LG Energy Solution, LTD.

✓ Verification Scope

Korean Standards Association has conducted verification for GHG emissions based on GHG report provided by LG Energy Solution, LTD. which includes Scope 1 and Scope 2 emissions.

✓ Verification Standards and Guidelines

To conduct verification activities, verification team applied verification standards and guidelines. The standards and guidelines are as follows.
· Guidance for reporting and verification of GHG emissions trading scheme (No. 2025-64 provided by Ministry of Environment, Republic of Korea)
· Verification Guidelines for the Operation of the Greenhouse Gas Emission Trading System (No. 2025-165 provided by Ministry of Environment, Republic of Korea)
· For matters not specified in other guidelines, refer to KS I ISO 14064-1: 2018 and KS I ISO 14064-3: 2019

✓ Level of Assurance

LG Energy Solution, LTD. GHG emissions satisfies the under Reasonable Assurance (less than 5.0% of total emissions).

✓ Verification Conclusion

As a result of verification activities, verification team has found no significant errors, omissions, and misstatements. Therefore, Korean Standards Association confirms that following emissions data are adequately quantified.

• 2025 GHG Emissions(Scope 1, Scope 2)

(Unit : tCO_2eq)

Year	Scope 1	Scope 2	Total
2025	73,293,929	353,740,043	427,030

※ Note : Decimal place is not considered when calculating the emission of each workplace.

June 09, 2026

Dongmin Moon

KOREAN STANDARDS ASSOCIATION

GHG Assurance Statement (Scope 1, 2) in Overseas

bsi Your partner in progress

Verification Opinion

Organization (Responsible party): **LG Energy Solution Co., Ltd.**

- **Organization (Responsible party) address:** Tower 1, Parc.1, 108 Yeoui-daero, Yeongdeungpo-gu, Seoul, Republic of Korea
- **Verification Objective:** This verification objectives to fairly reflect greenhouse gas data and information to ensure accuracy and without material discrepancies to provide a third-party verification opinion on LG Energy Solution's 2025 GHG emissions statement.
- **Verification Scope:** Scope 1 & 2 Greenhouse Gas Emissions of Overseas Subsidiaries and Scope 3 Greenhouse Gas Emissions of Domestic and Overseas Subsidiaries
  - **Reporting and Verification Period:** Greenhouse gas emissions for the one-year period from January 1 to December 31, 2025
  - **Organizational Boundary:** 19 business sites of overseas entities subject to Scope 1 & 2 emissions calculation and domestic business sites and overseas entities subject to Scope 3 emissions calculation
  - **Reporting Boundary:** Direct GHG emissions (Scope 1) and indirect GHG emissions (Scope 2) of 19 overseas business sites / Other indirect GHG emissions (Scope 3) of domestic and overseas subsidiaries, including Category 1/4/5/12 (production sites excluding Ochang Plant 2), Category 2 (production and non-production sites excluding sales subsidiaries), Category 3 (production and non-production sites), and Category 6/7 (domestic production and non-production sites)
  - **Excluded Sources:** Stationary and mobile combustion sources other than LNG in Scope 1 and Categories 8-11 and 13-15 in Scope 3 are excluded.
- **Reporting and Verification Criteria:** ISO 14064-1:2018 / ISO 14064-3:2019 / • 2006 IPCC Guidelines / GHG Protocol / Guidelines for Reporting and Verification of GHG Emissions in the Emissions Trading System (K-ETS)
- **Materiality Level:** A level of 5% of total emissions is applied for material discrepancies (errors, omissions, or miss statements)
- **Level of Assurance:** Limited Level of Assurance
- **Verification Process and Limitations:** Verification activities were conducted on the greenhouse gas emission information and data provided by the organization, including document review, risk analysis and interviews with responsible personnel, evaluation of monitoring and control systems through observation and investigation, and data verification through sampling recalculation, tracking, cross-checking, and adjustment. This verification process may be affected by limiting factors such as the limitations of the provided data and sampling and carries an inevitable risk that material discrepancies may go undetected due to these limitations.
  - LG Energy Solution is responsible for the preparation and fair presentation of the GHG statement and report in accordance with the agreed criteria. BSI Group Korea is responsible for expressing an opinion on the GHG statement based on the verification.
- **Verification Data:** The results of verifying the data in the organization's GHG Report, which includes the greenhouse gas statement, are as follows. Details, including the boundary, method, limitations, and assumptions for estimating emissions by scope and category, are described in the verification report

[Unit: tCO2eq]

Country	Abbreviation for overseas subsidiary	Scope1	Scope2		Total (scope1 + scope 2)	
			Location based	Market based	Location based	Market based
China	LGESNJ	38,693	496,763	86,761	535,455	125,454
China	LGESNA	6,833	97,234	26,292	104,067	33,125
China	LGESNB	14,635	186,921	38,028	201,556	52,663
Poland	LGESWA	93,423	414,044	25,799	507,467	119,222
USA	LGESMI	41,083	99,576	99,576	140,659	140,659
USA	Ultium Cells 1	35,175	105,981	45,278	141,156	80,453
USA	Ultium Cells 2	21,431	68,433	68,433	89,864	89,864
USA	LGESMI(Lansing)	10,095	46,628	46,628	56,724	56,724
USA	HL-GA Battery	9,105	25,703	25,703	34,808	34,808
USA	L-H Battery	23,655	36,603	36,603	60,259	60,259
USA	LGESAZ	-	99	99	99	99
Canada	LGESOT	24,206	3,795	3,795	28,002	28,002
Indonesia	PT. HLI Green Power	20,784	146,117	143,709	166,901	164,493
Taiwan	LGESTW	-	197	197	197	197
Australia	LGESAU	-	18	18	18	18
Germany	LGESEG	-	42	-	42	-
USA	LGESVT	182	417	417	600	600
Japan	LGESJP	-	2	2	2	2
India	LGESIL	-	8	8	8	8
Total Emissions (Scope 1&2)		**339,302**	**1,728,579**	**647,345**	**2,067,882**	**986,648**

(Note: Scope and category were classified according to the GHG Protocol, and the market-based Scope 2 indirect greenhouse gas emissions of overseas subsidiaries reflect the use of purchased renewable energy)

Categories	Emissions (Unit: tCO2eq)
Category 1. Purchased goods and services	5,120,434
Category 2. Capital goods	1,525,939
Category 3. Fuel- and energy-related activities	277,008
Category 4. Upstream transportation and distribution	125,576
Category 5. Waste generated in operations	35,121
Category 6. Business travel	12,430
Category 7. Employee commuting	9,223
Category 12. End-of-Life Treatment of Sold Products	445,513
Total Emissions (Scope 3)	**7,551,244**

- **Verification Result: Verified as Satisfactory**

  As a result of conducting verification at a limited assurance level in accordance with verification processes and procedures, no material discrepancies were found that could be included in the greenhouse gas reports and statements prepared by LG Energy Solution, and no evidence could be found that the greenhouse gas data and information were unfair.
- BSI Group Korea is independent and has no financial interest in LG Energy Solution. This 3rd party Verification Opinion has been prepared for LG Energy Solution solely for the purposes of verifying its statement relating to its GHG emissions, more particularly described in the scope above. It was not prepared for any other purpose. In making this Statement, BSI Group Korea has assumed that all information provided to it by LG Energy Solution is true, accurate and complete. BSI Group Korea accepts no liability to any third party who place reliance on this statement.
- **Issuing body of verification opinion:** BSI Group Korea (Address: 8th Floor, Taehwa Building, Insadong 5-gil, Jongno-gu, Seoul)
- **Verification Team Leader:** Seung Joon Yang (Lead verifier)
- **Independent reviewer:** Chong Kwan Kim (Lead verifier)
- **Number of Verification Opinion:** GHGEV 843354

For and on behalf of BSI:

Issue Date: 03/06/2026

Managing Director of BSI Korea, SeongHwan Lim

National Institute of Environmental Research

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Independent Assurance Statement

INDEPENDENT ASSURANCE OPINION STATEMENT

bsi. By Royal Charter

To: The Stakeholders LG ENERGY SOLUTION, LTD.

Overview

BSI (British Standards Institution) Group Korea (hereinafter referred to as the "Assurer") was requested to verify the "LG Energy Solution ESG Report 2025" (hereinafter referred to as the "Report"). The Assurer is independent of LG ENERGY SOLUTION and has no major operational financial interest other than assurance. This assurance opinion statement is intended to provide information related to the assurance of LG ENERGY SOLUTION report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any purpose other than the purpose of publication. This assurance opinion statement was prepared based on the information presented by LG ENERGY SOLUTION and the assurance was carried out under the assumption that the information and data presented were complete and accurate.
LG ENERGY SOLUTION is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to LG ENERGY SOLUTION only.
The Assurer is responsible for providing LG ENERGY SOLUTION management with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of LG ENERGY SOLUTION. The Assurer shall not bear any other responsibility, including legal responsibility, to any third party other than LG ENERGY SOLUTION in providing the assurance opinion and shall not be liable to any other purpose, purpose or stakeholders related thereto for which the assurance opinion may be used.

Scope

The scope of engagement agreed upon with LG ENERGY SOLUTION includes the following:

- Reporting contents during the period from January 1st to December 31st 2025 included in the report, some data included the first half of 2026.
- Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- In Accordance with the four principles of AA1000 AccountAbility in the report, based on the type of Sustainability Assurance based on AA1000AS v3 and if applicable, the reliability of the sustainability performance information contained in the report.

The following contents were not included in the scope of assurance.

- Financial information in Appendix.
- Index items related to other international standards and initiatives other than the GRI.
- Other related additional information such as the website and business annual report.

Assurance Level and Type

The assurance levels and types are as follows;

- Moderate level based on AA1000 AS and Type 2 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 and quality and reliability of specific performance information published in the report.)

Description and sources of disclosures covered

Based on the scope and methodology of assurance applied, the assurer reviewed the following Disclosures based on the sampling of information and data provided by LG ENERGY SOLUTION.

[Universal Standards]

2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers), 2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies, and practices), 2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

[Topic Standards]

201-1~2, 301-1~3, 205-1~3, 206-1, 302-1~4, 303-1~5, 305-1~7, 306-1~5, 308-1~2, 401-1~3, 403-1~10, 404-1~3, 405-1~2, 406-1, 407-1, 408-1, 409-1, 411-1, 414-1~2, 415-,1 416-1~2, 418-1

Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities;

- A top-level review of issues raised by external parties that could be relevant to organizations policies to provide a check on the appropriateness of statements made in the report.
- Discussion with managers and staff on organization's approach to stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the departments responsible.
- Review of the system for sustainability management strategy process and implementation
- Review of materiality issue analysis process and prioritization by reviewing materiality issue analysis process and verifying the results
- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures where available
- An assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the LG ENERGY SOLUTION HQ to confirm the data collection processes, record management practices.

Limitations and approach used to mitigate limitations

The Assurer performed limited verification for a limited period based on the data provided by the reporting organization. It implies that no significant errors were found during the verification process, and that there are limitations related to the inevitable risks that may exist. The Assurer does not provide assurance for possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

Competency and Independence

BSI (British Standards Institution) is a leading global standards and assessment body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social and environmental management with almost 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with LG ENERGY SOLUTION. The Assurer has conducted this verification independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as an AA1000AS assurer, have a lot of assurance experience, and have in-depth understanding of the BSI Group's assurance standard methodology.

Opinion Statement

The assurer was carried out by a team of sustainability report assurors in accordance with the AA1000 Assurance Standard v3. Assurer planned and performed this part of our work to obtain the necessary information and explanations assurer considered to provide sufficient evidence that LG ENERGY SOLUTION's description of their approach to AA1000 Assurance Standard and their self-declaration of compliance with the GRI standards were fairly stated.
On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social and environmental performance indicators are accurate and are supported by robust internal control processes.

Conclusions

The Report is prepared in accordance with the GRI Standards. (Reporting in accordance with the GRI standards). The detailed reviews against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards are set out below.

Inclusivity: Stakeholder Engagement and Opinion

LG ENERGY SOLUTION defined shareholders/investors, customers, employees, suppliers, local communities near sites, local communities/NGOs, academia/experts, industry associations, media, government agencies/national assembly and global initiatives as Key Stakeholder Groups. To collect opinions by each stakeholder group in the context of sustainability, operated the stakeholder engagement process. LG ENERGY SOLUTION was conducting a review of the stakeholder engagement process at the Steering Committee to reflect on the major sustainability issues derived through the stakeholder engagement process in sustainability strategy and goals. LG ENERGY SOLUTION disclosed the results related to the process in the Report.

Materiality: Identification and reporting of material sustainability topics

LG ENERGY SOLUTION implemented its own materiality assessment process in consideration of the major business and operational characteristics to derive important reporting issues related to sustainability. In the materiality assessment, LG ENERGY SOLUTION conducted the analysis of global sustainability disclosure and evaluation standards, and conducted the IRO (Impact, Risk, Opportunity) analysis to derive the impact and financial materiality. LG ENERGY SOLUTION derived 5 material issues through the process, and disclosed GRI topic standards disclosures related to material issues in the Report.

Responsiveness: Responding to material sustainability topics and related impacts

LG ENERGY SOLUTION operated a management process for material issues in the context of sustainability derived from the materiality assessment. LG ENERGY SOLUTION established mid- to long-term sustainability plans and goals according to the management methodology established to effectively reflect the expectations of key stakeholders. LG ENERGY SOLUTION disclosed the process including policy, indicator, activity and response performance on material issues in the Report.

Impact: Impact of an organization's activities and material sustainability topics on the organization and stakeholders

LG ENERGY SOLUTION identified the scope and extent of the impacts to the organization and key stakeholders in the context of the sustainability of the material issues reported. LG ENERGY SOLUTION established sustainability strategies and objectives based on the analysis results of major impacts, including risks and opportunities for material issues at the governance level, disclosed mid- to long-term plans and strategic system in the Report.

Findings and conclusions concerning the reliability and quality of specified performance information

Among the GRI Topic Standards, the following disclourse related Economic, Social and Enviromental were carried out in a assurance Type 2 based on the information and data provided by the reporting organization. In order to verify the reliability and accuracy of the data and information, internal control procedures related to data processing, processing, and management were verified through interviews with the responsible department, and accuracy was verified through sampling. Errors and intentional distortions in sustainability performance information included in the report were not found through assurance processes. The reporting organization manages the sustainability performance information through reliable internal control procedures and can track the process of deriving the source of the performance. Errors and unclear expressions found during the assurance process were corrected during the assurance process and prior to the publication of the report, and the assurer confirmed the final published report with the errors and expressions corrected

- GRI Topic Standards : 201-1~2, 205-1~3, 301-3, 302-1~4, 303-~5, 305-1~5, 305-7, 306-3~5, 308-1~2, 401-1~3, 403-1~10, 404-1~3, 405-1~2, 406-1, 414-1~2, 416-1

Recommendations and Opportunity for improvement

The assurer will provide the following comments to the extent that they do not affect the result of assurance;
- LG ENERGY SOLUTION has established an internal control procedure for sustainability performance and manages performance indicators of major subsidiaries, including overseas subsidiaries. It may be effective to advance the established internal control procedure and to strengthen the accuracy and completeness of key sustainability performance indicators.
- It may be effective to upgrade key sustainability strategy directions, such as Net-zero roadmaps and RE100 roadmaps, as well as detailed challenges, mid- to long-term planning, and company-wide approaches based on those strategic directions.

GRI-reporting

LG ENERGY SOLUTION provided us with their self-declaration of compliance within GRI Standards. Based on our review, we confirm that social responsibility and sustainable development indicators. The Assurer confirmed that the Report was prepared in accordance with the GRI Standards and the disclosures related to the Universal Standards and Topic Standards Indicators based on the data provided by LG ENERGY SOLUTION. The sector standard was not applied.

Issue Date: 11/06/2026
For and on behalf of BSI(British Standards Institution):

BSI representative

Jungwoo Lee,
Lead Assurer, LCSAP

Seonghwan Lim,
Managing Director of BSI Korea

BSI Group Korea Limited: 29, Insa-dong 5-gil, Jongno-gu
Seoul, South Korea
Hold Statement Number: SRA 826437



Glossary

Acronyms	Full-name
AAM	Anode active materials
AED	Automated External Defibrillators
APQP	Advanced Product Quality Planning
APS	Announced Pledged Scenario
AVEL	Add Value to Energy Label
BaaS	Battery as a Service
BAU	Business As Usual
BCMS	Business Continuity Management System
BEV	Battery Electric Vehicle
BIC	Battery Innovation Contest
BMS	Battery Management System
BOD	Biochemical Oxygen Demand
BOT	Battery of Things
BRF	Biodiversity Risk Filter
BRT	Business Round Table
BSC	Battery Section Controller
BSM	Battery System Monitoring
BSS	Battery Swapping Station
BTC	Battery Tech Conference
CAM	Cathode active materials
Capex	Capital Expenditures
CCUS	Carbon Capture Utilization and Storage
CDP	Carbon Disclosure Project
CEPP	Customized Education Polymer Program
CERT	Computer Emergency Response Team
CIC	Company-in-Company
CISO	Chief Information Security Officer

Acronyms	Full-name
CMRT	Conflict Minerals Reporting Template
COP	Conference of the Parties
CPO	Chief Production Officer
CQO	Chief Quality Officer
CRMA	Critical Raw Materials Act
CRO	Chief Risk Officer
CSDDD	Corporate Sustainable Due Diligence Directive
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
CTO	Chief Technology Officer
D/L	Distribution Line
DAF	Dissolved Air Flotation
DEH	Dehumidifier
DEI	Diversity, Equity, Inclusion
DR	Demand Response
EaaS	Energy as a Service
EFRAG	European Financial Reporting Advisory Group
EH&S	Environmental, Health and Safety
EMAS	ESS Management and Analysis System
ENCORE	Exploring Natural Capital Opportunities, Risks and Exposure
EOL	End-of-Life
EPD	Environmental Product Declarations
ESG	Environmental, Social, Governance
ESRS	European Sustainability Reporting Standards
ESS	Energy Storage System
EU FLR	EU Forced Labor Regulation
EU-ETS	European Union emissions trading system

Acronyms	Full-name
EUM	Energy & Utility Management system
EV100	Electric Vehicle 100
FCA	Fair Cobalt Alliance
FMDS	FM Global's safety management standards
FPIC	Free, Prior, and Informed Consent
FSB	Financial Stability Board
FTA	Free Trade Agreement
GBA	Global Battery Alliance
GBF	Kunming-Montreal Global Biodiversity Framework
GDPR	General Data Protection Regulation
GHG	Greenhouse gas
GRI	Global Reporting Initiative
GWP	Global Warming Potential
GX	Green Transformation
HAPS	High Altitude Pseudo Satellite
HSM	Hazardous Substance Management system
IATF	International Automotive Task Force
IBAT	Integrated Biodiversity Assessment Tool
IBT	Institute of Battery Technology
IEA	International Energy Agency
ILO	International Labour Organization
IPCC	Intergovernmental Panel on Climate Change
IRA	the US Inflation Reduction Act
IRMA	Initiative for Responsible Mining Assurance
ISSB	International Sustainability Standards Board
JV	Joint Venture
KBA	Key Biodiversity Areas

Acronyms	Full-name
KCGS	Korea Institute of Corporate Governance and Sustainability
K-ETS	Korea emissions trading system
KPI	Key Performance Indicators
L&S	Lamination & Stacking
LBA	LG Battery Academy
LCA	Life Cycle Assessment
LEV	Light Electric Vehicle
LFP	lithium iron phosphate
LMT	Light Means of Transport
LTIFR	Lost Time Injury Frequency Rate
MOU	Memorandum of Understanding
MRO	Maintenance Repair and Operation procurement
MSA	Mean Species Abundance
MSCI	Morgan Stanley Capital International
MSDS	Material Safety Data Sheet
NCM	Nickel-Cobalt-Manganese
NDC	Nationally Determined Contributions
NDR	Non-Deal Roadshow
NFPA	National Fire Protection Association
NGD	No Gross Deforestation
NND	No Net Deforestation
NNL	No Net Loss
NPI	Net Positive Impact
NSF	National Sanitation Foundation
NZE	Net-Zero emissions
OECD	Organisation for Economic Co-operation and Development
OEM	Original Equipment Manufacturer

Acronyms	Full-name
Opex	Operational Expenditures
PDCA	Plan, Do, Check, Act
PHEV	Plug-in Hybrid Electric Vehicle
PPA	Power Purchase Agreements
PPE	Personal Protective Equipment
PSDS	Product Safety Data Sheet
QMS	Quality Management System
RAGAGEP	Recognized And Generally Accepted Good Engineering Practices
RBA	Responsible Business Alliance
RCP	Representative Concentration Pathways
RE100	Renewable Electricity 100%
REACH	The Regulation on the registration, evaluation, authorisation and restriction of chemicals
REC	Renewable Energy Certificates
RLI	Responsible Labor Initiative
RMA	Return Material Authorization
RMI	Responsible Minerals Initiative
RO	Reverse osmosis
RoHS	Restriction of Hazardous Substances Directive
S&P	Standard and Poor's
SAQ	Self-Assessment Questionnaire
SASB	Sustainability Accounting Standards Board
SBTN	Science Based Target Network
SCIP	Security Cooperation Information Portal
SMEs	small and medium-sized enterprises
SNBH	Supplier New Biz. Hold
SOH	State of health

Acronyms	Full-name
SQ	Supplier Quality
SQM	Supplier Quality Management
SRS	Safety Reinforced Separator
SS	suspended solids
SSP	Shared Socioeconomic Pathways
SSQ	Sub-supplier Qualification
STAR	Species Threat Abatement and Restoration
STEPS	Stated Policies Scenario
TCFD	Task Force on Climate-related Financial Disclosures
TNFD	Task Force on Nature-related Financial Disclosures
TOC	Total Organic Carbon
TSCA	Toxic Substances Control Act
UAM	Urban Air Mobility
UFLPA	Uyghur Forced Labor Prevention Act
UL	Underwriters Laboratories
UN SDGs	United Nations Sustainable Development Goals
UNGC	United Nations Global Compact
UPS	Uninterruptible Power Supply
VAP	Validated Assessment Program
WDS	Waste Disposal System
WEF	World Economic Forum
WRI	World Resource Institute


LG Energy Solution