

Innovate Mobility, **Drive** a Better Life



About This Report

The 2025 LG Magna Sustainability Management Report, titled "Drive," is the first sustainability management report published since the establishment of the corporation. This report is a self-published document that has not undergone third-party verification. However, we plan to conduct third-party verification in 2027 to enhance the report's credibility. The report is structured and prepared based on GRI (Global Reporting Initiative) criteria related to the company, allowing us to transparently disclose our goals and activities for achieving sustainable management. By continuously strengthening our efforts, we aim to foster meaningful communication with our stakeholders and deepen trust. We promise to do our utmost for sustainable management in the future.

Reporting Standards

This report has been prepared with reference to the GRI (Global Reporting Initiative) Standards 2021, which are the global standards for sustainability reporting.

Reporting Cycle and Period

This report is based on performance data from January 1, 2022, to December 31, 2024, across various fields. Additionally, some main activities have been reported, including those up to the first half of 2025. Quantitative data includes information from the most recent three years, from 2022 to 2024, to illustrate trends, and any data requiring further explanation is noted in the footnotes. The reporting cycle is planned to occur every two years.

Reporting Scope

The report is prepared on a company-wide basis; however, some content is specifically targeted at domestic operations. Please refer to the content of each report item and the footnotes for details.

Third-Party Verification

This report has been voluntarily prepared and has not undergone third-party verification, as it is not mandated by relevant laws or stakeholder requirements. The focus of this report is to share the initial achievements and goals of LG Magna's sustainable management. Starting from the next report (2027), we plan to enhance the report's credibility through third-party verification. To achieve this, we will secure reliable and sufficient data, establish a systematic process, and internally develop a data collection and analysis system to ensure thorough preparation.

Inquiries Regarding the Report

If you need additional information about this report or have any inquiries, please contact us at the details below.

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Introduction

005 CEO Message

006 Company/Business Overview



CEO Message



Dear stakeholders of LG Magna e-Powertrain,

In 2021, with confidence in the growth potential of the electric vehicle market, LG Electronics and Magna formed a joint venture, LG Magna, which has since been making significant strides. LG Magna, combining LG Electronics' innovative technology and Magna's extensive experience in the global automotive parts industry, has been able to establish itself in the market thanks to the deep interest and support of customers and the dedicated efforts of its employees since its inception. Despite currently facing challenging times due to difficulties in the electric vehicle market, we are continuously moving forward with confidence in the bright future of our e-powertrain business in the future mobility market.

Since its inception, LG Magna has focused on establishing a solid business foundation. Now, it aims to open a new chapter for sustainable growth by listening to the voices of various stakeholders. We are deeply aware of the increasing social demands for ESG (Environmental, Social, and Governance) management and the concretization of related regulations. It is time to go beyond mere declarations of intent and secure the long-term competitiveness of the company through the achievement of tangible ESG results.

Therefore, LG Magna will pursue the following strategies to realize its ESG vision for a sustainable future, "Drive a Better Life," and to fulfill LG's management philosophy of delivering customer value.

First, we will contribute to the establishment of a global low-carbon emission mobility ecosystem through the innovation of eco-friendly automotive e-powertrain technologies and products. Additionally, we will secure competitive advantages in the market to drive revenue-based growth. Although the current electric vehicle market is facing challenges as it transitions to the mainstream, we will ensure the achievement of sustainable business outcomes by strengthening our technological capabilities and quality standards even in this demanding environment. Furthermore, we will actively pursue the e-powertrain integrated solutions business through strategic partnerships, thereby expanding our product portfolio.

Second, we will strive to create a work environment that protects human rights and is free from discrimination, while also ensuring a safe and pleasant workplace. Additionally, we will endeavor to positively impact our local communities and partners. Through these efforts, we aim to provide an environment where all employees are respected, feel proud, and can work safely. We will also strive to be a company that fulfills its social responsibilities to stakeholders. Furthermore, we will achieve transparent and ethical management to strengthen trust with our stakeholders. To this end, we will reinforce principled management and maintain fairness and transparency in all our business activities.

Thirdly, we will promote customer-centric ESG management to address the pain points in the supply chains of our customers who are at the forefront of eco-friendly vehicle solutions, becoming a partner that grows together with our customers. To this end, we will closely identify the ESG directions that our customers expect in their supply chains and work closely with them to actively fulfill sustainable responsibilities within the supply chain.

Finally, we ask for your continued interest and support in LG Magna's journey to becoming the global No.1 e-Mobility Solution Partner, creating a better future in the evolving mobility environment.

Thank you.

August 2025
CEO, LG Magna e-Powertrain Won Suk Cheong


Company/Business Overview

LG Magna, Global No.1 e-Mobility Solution Partner


LG Magna e-Powertrain is a joint venture established in July 2021 by LG Electronics and Magna International. The company provides various electric vehicle component solutions, including drive motors, power conversion devices, and integrated systems. It operates organically across all processes, including technological innovation, marketing, R&D, procurement, and production.

Foundation July 1, 2021	Business Site 8 sites (1 domestic, 7 overseas)
Sales revenue KRW 1.12trillion <small>*based on 2024</small>	Employees 2,066 persons (1,117 domestic, 949 overseas) <small>*based on 2024</small>


Business Areas



Electric Motor

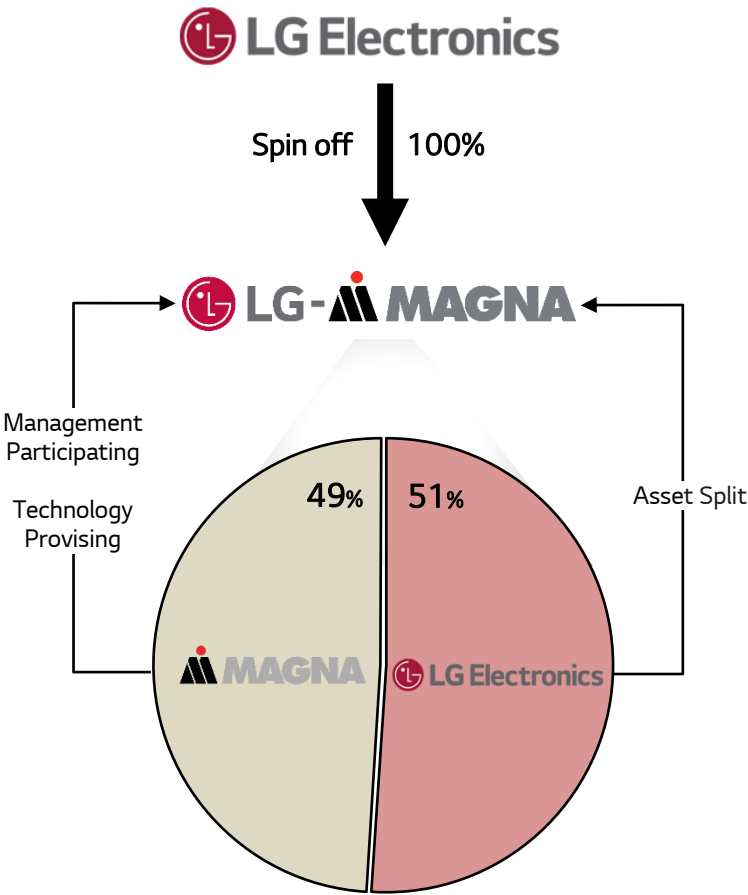


Power Electronics





Integrated Solutions

Joint Venture Structure



Shareholder Information

	 LG Electronics
Company	LG Electronics
Foundation	1958 / South Korea
Financial	2024 Sales \$64.2B / Operating profit 4.3%
Market Capitalization	\$9.83B (Based on 2024)
Employees	About 74,000
CEO	Joowan Cho
Business Areas	Home Appliance, IT, Vehicle component, Sinage etc.

	 MAGNA
Company	Magna International
Foundation	1957 / Canada
Financial	2024 Sales \$42.8B / Operating profit 5.4%
Market Capitalization	\$12.13B (Based on 2024)
Employees	About 170,000
CEO	Swamy Kotagiri
Business Areas	Complete Vehicles, Vehicle component (Electrical/Electronic, powertrain, etc.)

Company/Business Overview

Global Network

We have established a network for global market penetration by setting up four production subsidiaries and four sales offices at main domestic and international locations.

Category	EU	NA	CN	JP	KR	TTL
Headquarter	-	-	-	-	1	1
Production Site (■)	1	-	1	-	1	3
on-Site Support (▲)	1	1	1	1	-	4

Korea

Production/R&D site (Incheon HQ)

1

Overseas

Production Sites

3

Sales Offices

4

*based on 2024 data



Company/Business Overview



Electric Motor

LG Magna e-Powertrain leverages its excellent technological capabilities and expertise in electric vehicle drive components to enhance vehicle performance and achieve optimal efficiency. This allows us to provide customers with optimized products and offers drivers a quieter and more comfortable driving experience.

LG Magna Motor Features

- MHEV-BEV application
- Hairpin wire / Round wire
- PMSM / ASM
- Modular Design
- Air cooling / Water cooling / Oil cooling

LG Magna Motor Benefits

- Optimization design by motor type
- Automation of core production processes
- High efficiency / High power / High torque solutions
- Rare earth-less solution
- 48V / 400V / 800V solutions

WP1002 HP1505

Technical Specifications	
Power (kW)	~ 25
Torque (Nm)	~ 90
Speed (rpm)	~ 20,000
Voltage (V)	48V, 400V
Application	MHEV
Efficiency (%)	96 ~



Technical Specifications	
Power (kW)	50~100
Torque (Nm)	100~200
Speed (rpm)	~16,000
Voltage (V)	400V, 800V
Application	BEV, (P)HEV
Efficiency (%)	96 ~

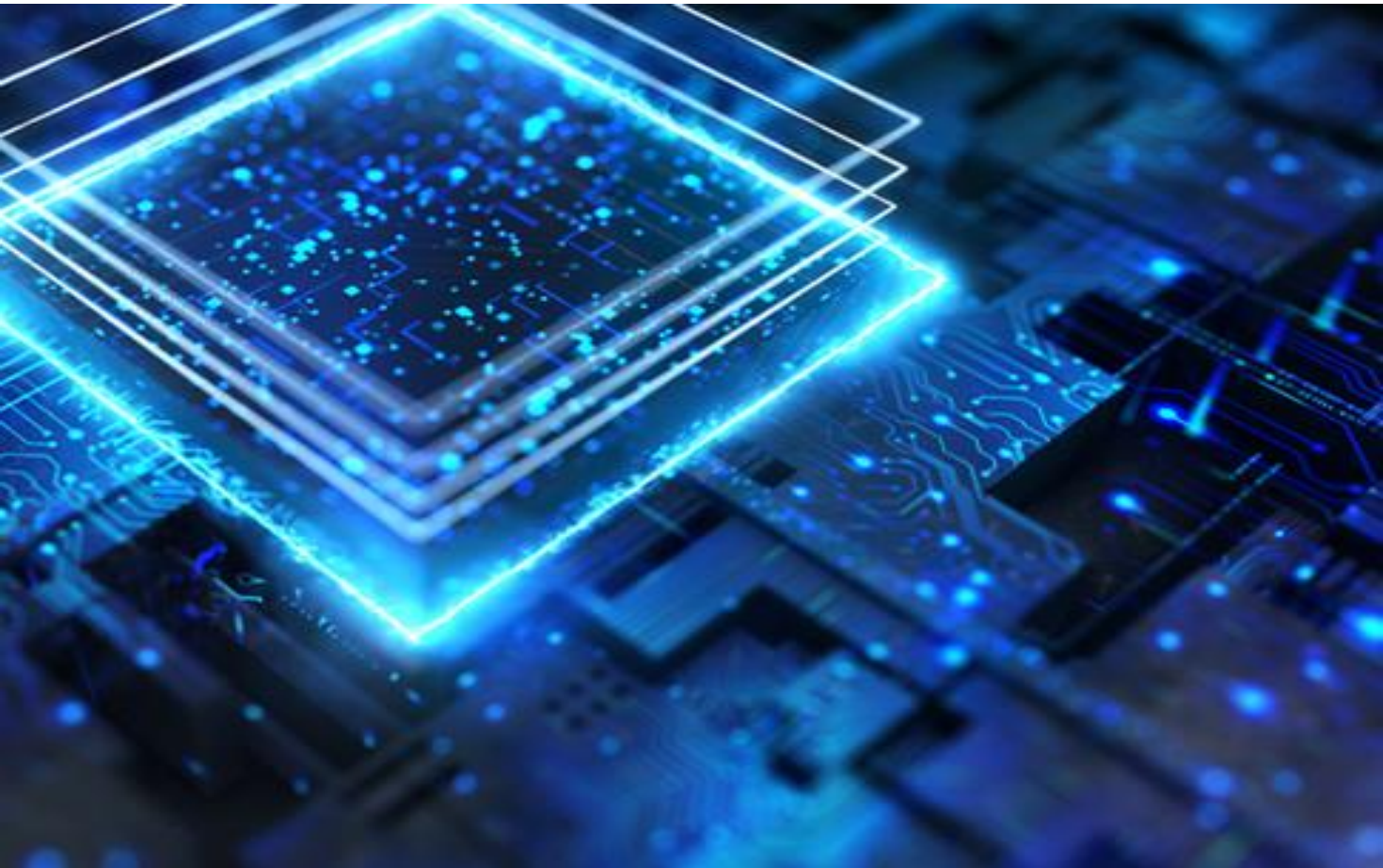
HP1015 HP1521

Technical Specifications	
Power (kW)	120~180
Torque (Nm)	250~400
Speed (rpm)	~16,000
Voltage (V)	400V, 800V
Application	BEV, PHEV
Efficiency (%)	96 ~



Technical Specifications	
Power (kW)	180~300
Torque (Nm)	350~500
Speed (rpm)	~16,000
Voltage (V)	400V, 800V
Application	BEV
Efficiency (%)	96 ~

Company/Business Overview



Power Electronics

LG Magna e-Powertrain has excellent technological capabilities and expertise in power conversion. We possess inverters that efficiently control the electric energy converted from the battery to the motor, as well as onboard chargers that supply electricity to the battery quickly and reliably.

LG Magna inverter Features

- (P)HEV ~ BEV application
- Sintered dual side cooling power module
- SiC power module solution
- Functional safety
- Modular design

LG Magna Inverter Benefits

- Package optimization with dual side cooling
- Low inductance design
- High power density / High efficiency solutions
- Supports up to 20 kHz SiC switching frequency
- 400V / 800V BEV SiC Solutions

IS2007

Technical Specifications	
Power (kW)	50~100
Voltage (V)	400V, 800V
Current (Arms)	250 ~ 300
Application	BEV, (P)HEV



IS1015 IS2020

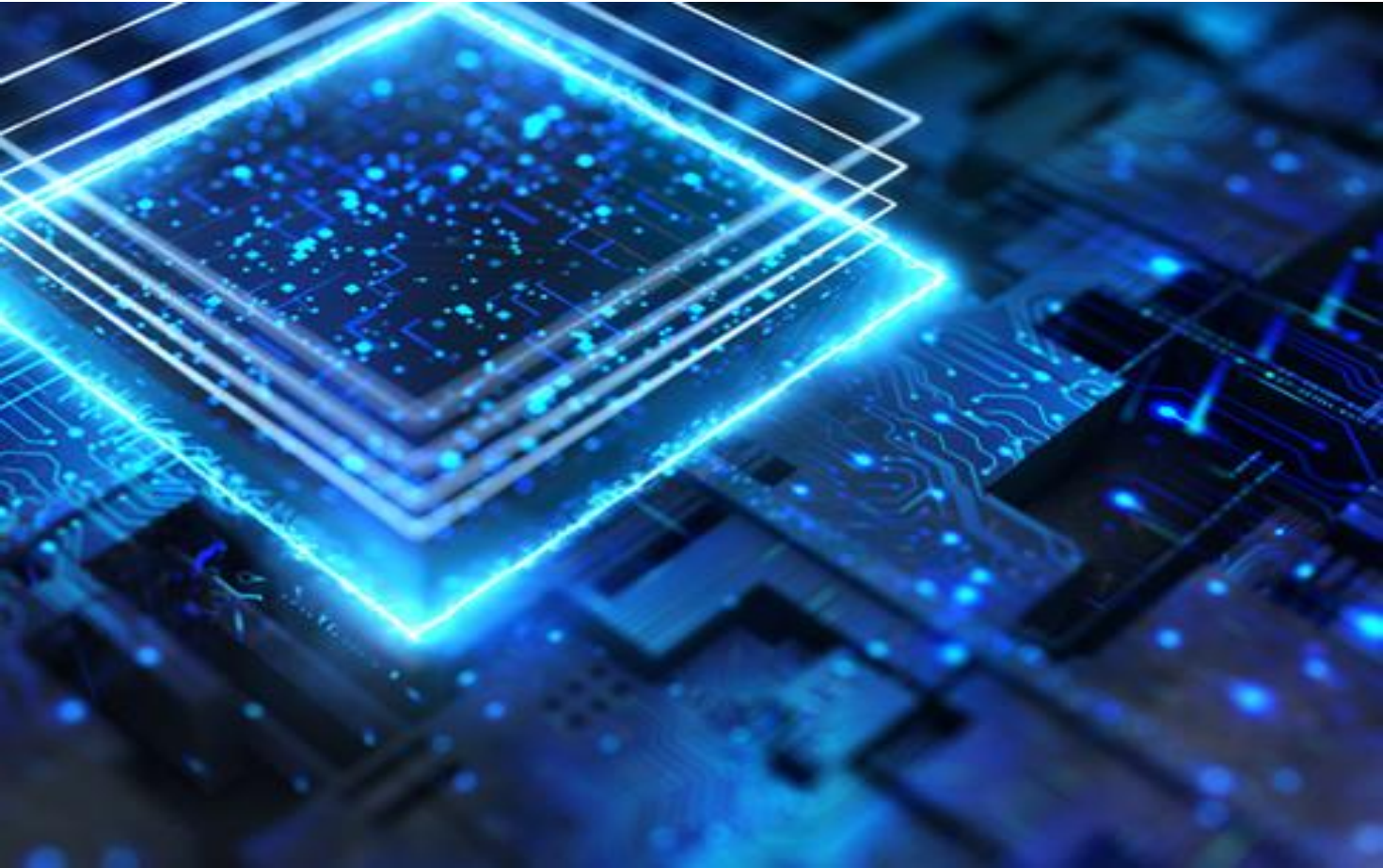
Technical Specifications	
Power (kW)	120~180
Voltage (V)	400V, 800V
Current (Arms)	~ 500
Application	BEV



Technical Specifications	
Power (kW)	180~300
Voltage (V)	400V, 800V
Current (Arms)	~ 650
Application	BEV



Company/Business Overview



Power Electronics

LG Magna e-Powertrain has excellent technological capabilities and expertise in power conversion. We possess inverters that efficiently control the electric energy converted from the battery to the motor, as well as onboard chargers that supply electricity to the battery quickly and reliably.

LG Magna On-Board Charger Features

- Integrated DC-DC converter
- Digital Control
- Bi-directional charging solution
- Modular design
- Customizing design

LG Magna On-Board Charger Benefits

- Compact switching circuit (PFC and DC/DC)
- Compact EMI filter and integrated magnetic design
- Applicable to wide range of AC grid voltages
- High power density and high efficiency
- Can support V2L, V2G function

CU1072

Technical Specifications	
Power (kW)	7.2
Voltage (V)	400V, 800V
Efficiency (%)	95
Type	Stand alone, Integration*

CU2011

Technical Specifications	
Power (kW)	11
Voltage (V)	400V, 800V
Efficiency (%)	95
Type	Stand alone, Integration*



* Integration : The process in which power conversion devices effectively combine various power conversion and management functions, allowing them to operate seamlessly within a larger energy system.

Company/Business Overview



Integrated Solutions

LG Magna e-Powertrain integrates drive components and power conversion devices to create a intergrated system. Based on the competitive strengths of each component, we offer efficient and reliable electric vehicle powertrain integrated solutions that meet customer requirements.

LG Magna Integrated solutions Features

- 3-in-1 Traction module
- Modular platform based on normalization and standardization
- Control algorithms for NVH and efficiency improvements
- Air cooling / Water cooling / Oil cooling / Combined cooling
- Oil lubrication and cooling utilizing gear structure

LG Magna Integrated solutions Benefits

- Optimization design by power
- Package optimization (Front/Rear wheel application)
- High power density / High efficiency solutions
- Modular design
- Customizing design

DU2004

Technical Specifications	
Power (kW)	~ 50
Torque (Nm)	~ 1400
Speed (rpm)	~ 1600
Voltage (V)	400V
Application	(P)HEV
Thermal system	Air



IP1012

Technical Specifications	
Power (kW)	~ 120
Torque (Nm)	~ 2500
Speed (rpm)	~ 1500
Voltage (V)	400V, 800V
Application	BEV, PHEV
Thermal system	Air / Water / Mixed



IP2016

Technical Specifications	
Power (kW)	~ 180
Torque (Nm)	~ 3500
Speed (rpm)	~ 1500
Voltage (V)	400V, 800V
Application	BEV, PHEV
Thermal system	Water / Oil / Mixed





Sustainability

013 ESG Vision/Operationg System

016 Environmental

030 Social

055 Governance

ESG Vision/Operating System

ESG Strategy

ESG Vision

Drive a Better Life

- ※ LG Magna’s ESG Vision includes the following :
- A commitment to minimizing environmental impact through eco-friendly and efficient automotive parts and systems, while providing sustainable mobility.
 - A reflection of the corporate goal to enhance the quality of life for customers by delivering a better driving experience and safety through cutting-edge technology and innovation.
 - A promise to fulfill corporate social responsibility, build trust with stakeholders, and make a positive impact.

ESG Strategic Direction

Environment	Social	Governance
<p><u>Eco-friendly Product</u></p> <p>Eco-friendly automobile parts technology/product development</p> <p>Reducing Climate Risk within the Value Chain</p> <p>Establishing a resource circulation system</p>	<p><u>Great Place</u></p> <p>Protecting human rights and creating a non-discriminatory work environment</p> <p>Creating a safe and comfortable workplace</p> <p>Growing together with partners</p>	<p><u>Transparent Business</u></p> <p>Compliance with Business-Related Laws</p> <p>Ethical Management</p> <p>Product and Technology Information Protection</p>

ESG 5 Goals



- ① Realizing a mid- to long-term carbon neutral road map for climate change response
- 100% conversion of overseas business sites to renewable energy by 2030
 - Carbon emissions per unit (Base: 22 years) 80% reduction by 2030, 100% reduction by 2050



- ② Technological innovation and environmental impact minimization of eco-friendly e-Powertrain products
- Development of high-efficiency electric powertrain components technology, development of Non-REE* motors, etc. * REE (Rare-Earth Element): Rare-earth elements (cerium, lanthanum, neodymium, dysprosium, terbium)
 - Product Carbon Footprint Assessment and Resource Circulation



- ③ Creating a work environment where members can feel safe and proud
- Establishment of safety and health management system and operation of dedicated organization for 'Zero' major accidents at workplaces
 - Conduct regular/periodic risk assessments with user participation and improve 100% of high-risk factors
 - Promoting workers' rights and experiences through the operation of labor unions and junior boards, etc.



- ④ Collaboration on sustainability with customers/partner companies and contributions to the local community
- Cooperative response of customer sustainability needs and establishment of support systems to enhance the capabilities of partner companies.
 - Improving the image of a trusted company in the local community (social contribution activities)



- ⑤ Transparent and responsible management toward a trustworthy company
- LG's Code of Ethics is operated based on LG's ethical management philosophy
 - Analysis and assessment/improvement of compliance risks of business-related laws
 - Operation of information security system for customers, employees, and products

ESG Policies by Area

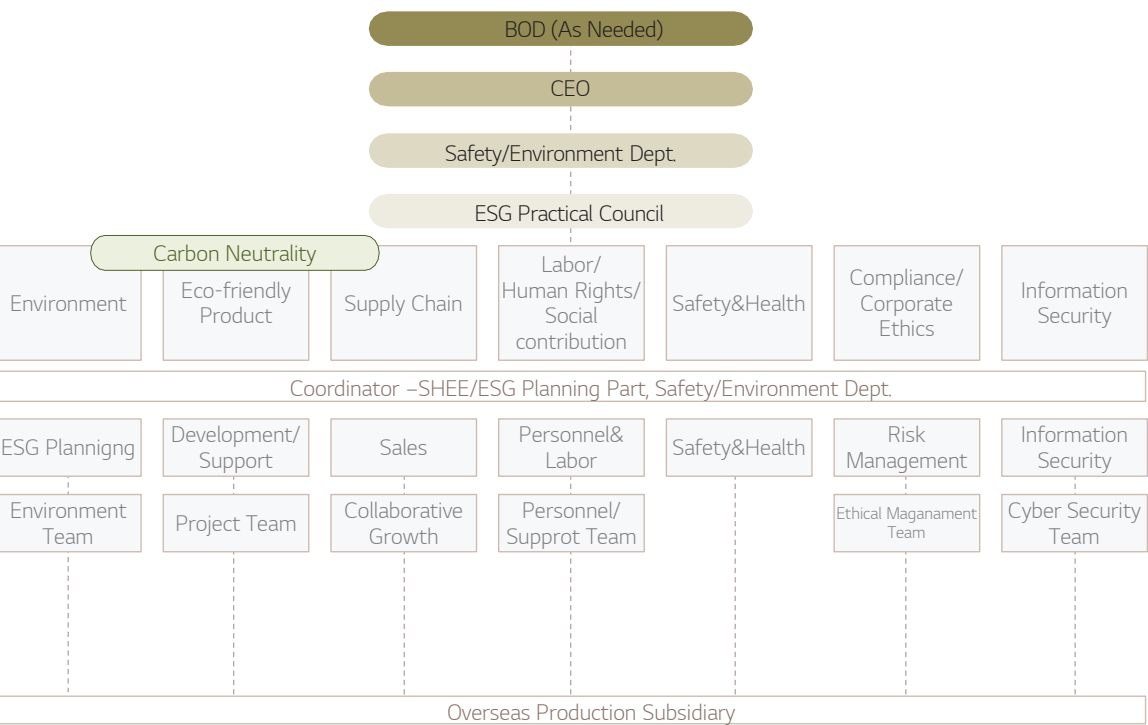
Safety, Environment and Energy Management Policy	Supplier Code of Conduct	Privacy Policy
Global Labor Policy	Quality Management Policy	Compliance Policy

ESG Vision/Operating System

ESG Management Operating System

Since its establishment as a corporation in 2021, LG Magna has gone through a stabilization phase and is set to actively pursue ESG management starting in 2024. The ESG management operating system is currently centered around an ESG working committee composed of eight areas, with the overall ESG strategy being executed by the Safety and Environment Department in accordance with material ESG topics such as carbon neutrality. This committee is responsible for selecting ESG tasks in each field, implementing them, and jointly responding to the ESG requirements of various external stakeholders.

main decisions related to ESG are made at the CEO level, while oversight of significant issues, such as climate change, is conducted at the board level. In the future, the board's oversight scope is planned to be gradually expanded, thereby enhancing the transparency and reliability of ESG management. Through this systematic approach, LG Magna aims to strengthen communication with all stakeholders, including customers, and build and maintain trust.



ESG Committee – Composition and Roles

Composition	Frequency	Participants	Roles
ESG Practical Council	Annually (Occasional)	· SHEE/ESG Planning Part (Coordinator) · ESG manager by Areas	· Discussion on selecting/achieving tasks in the ESG areas · Collaborative response to main external stakeholder requirements
Overseas SHEE*/ESG Committee	Monthly	· SHEE/ESG Planning Part (Coordinator) · ESG Oversea managers	· Support for corporate SHEE/ESG management · Collaboration in responding to customer audits · Other communication activities

ESG management activities

Category	Target	Contents
Leadership	Stakeholders/ Employees	• ESG Committee (Annually/Occasional) • CEO ESG Message
Communication	Related organization	• ESG Council (Annually/Occasional)
	Customer company	• ESG management Goals/Activities report (By Sustainability Report) • Responding to customers' ESG requirements (ESG assessment, Carbon Reduction, etc.)
	Shareholders	• ESG management status report to the board of directors (As Needed) • Data Management for ESG Disclosure
	Managemenet	• Information Report (Monthly Management meeting/Occasional)
	Employees	• Conducting promotional activities (ESG education and campaigns)
Risk Management	Others	• Operating the company's website ESG bulletin board
	Self	• RBA* Participation and Risk assessment (Annually) • Pre-review of ESG Risk at the RfX
	Partners	• Customer-designated partner company ESG risk assessment

*Responsible Business Alliance : Global initiative established to promote corporate social responsibility

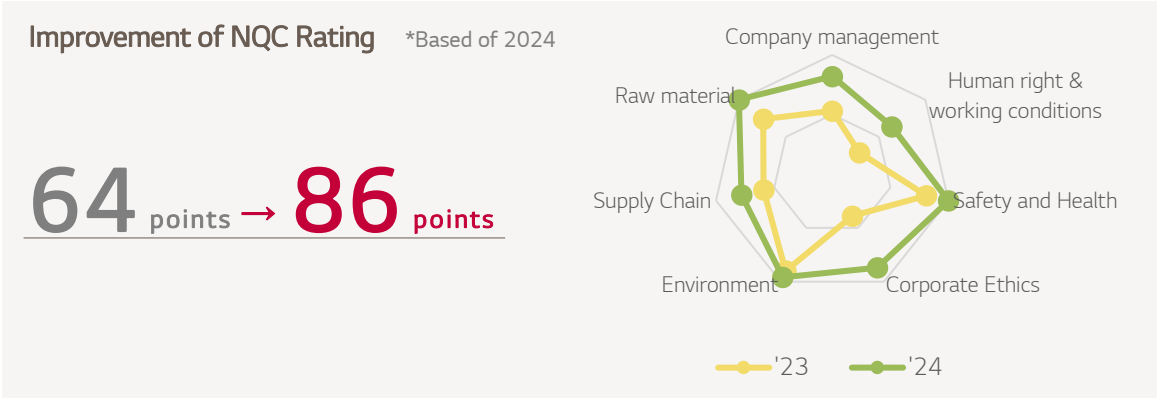
ESG Vision/Operating System

Customers and External Assessment Response

Due to the nature of LG Magna's B2B business, we are continuously striving to fulfill our environmental and social responsibilities within the supply chain. We regularly receive requests for ESG assessments from our customers. Since 2023, we have participated annually in the NQC Supply Chain Sustainability Assessment, achieving a score of 64 in our first year. Through various efforts, we improved this score to 86 in 2024, with a future goal of exceeding 90 points to further enhance our ESG management level.

Additionally, starting in 2026, LG Magna plans to participate in EcoVadis*, an ESG assessment that involves over 100,000 companies across more than 160 countries worldwide. EcoVadis is a globally recognized sustainability assessment platform that specializes in evaluating corporate sustainability in areas such as environment, labor and human rights, ethics, and sustainable procurement, primarily focusing on ESG assessments within the supply chain. To achieve this, LG Magna has set a goal of attaining a Gold rating in the EcoVadis assessment by 2028 and is conducting self-assessments of our internal management systems to address and mitigate risks.

*EcoVadis : A platform that evaluates corporate sustainability and social responsibility, categorizing companies into Platinum, Gold, Silver, and Bronze tiers based on their assessment scores.



Internal ESG Risk Self-Assessment

We are striving to enhance our ability to respond to ESG-related assessments and audits from internal and external stakeholders through an internal ESG risk self-assessment. Starting in 2024, we will establish an ESG self-assessment checklist based on the RBA Code of Conduct to identify and improve potential risks. In the initial assessment conducted in 2024, no significant risks were found; however, we identified 13 items across various areas that require some improvements. We are currently developing and implementing improvement plans for these items in a sequential manner. Through these self-assessment and improvement activities, LG Magna aims to achieve sustainable management and further enhance its ESG management level.

ESG Culture

We are promoting various activities to internalize the concept and necessity of ESG management among all employees. Through campaigns, newsletters, and promotional materials, we aim to raise awareness of ESG-related trends both internally and externally among employees in various fields. We encourage them to proactively consider ESG factors in their work, fostering an ESG culture that can lead to tangible results.

LG Magna Main ESG Culture Activities

Category	Activities	Frequency
ESG Training	· LG Magna ESG Management System Establishment and main Initiatives Training (for Department Managers)	Annually
ESG Report	· LG Magna Sustainability Management Information	Annually
ESG Letter/News	· Issuance of letters regarding main ESG issues (e.g., forced labor, company ESG performance, etc.)	Occasional
ESG Campaign (37times/2024Y)	· Encouragement of employee participation in various ESG areas (e.g., health and safety, environment/chemical substances, information security, ethical management, compliance, etc.)	As Needed Or Regularly
ESG Magazine	· Sharing of guidance materials related to main ESG issues and relevant knowledge and information from both LG Magna and external sources	Quarterly

LG Magna Sustainability Letter

Sustainable Labor, Zero Forced Labor

Sustainability News

News Keywords: Forced Labor (ILO/International Labour Organization)

한일법 준수조치, 다각오는 노동규범

LG MAGNA

LG Magna Sustainability News

"The First Step Towards a Sustainable Future"

NCDP

Our company has been recognized for its systematic management and efforts in addressing climate change by achieving a Management Level 5, which is higher than the global average in the first evaluation by the global ESG rating organization, CDP (Carbon Disclosure Project).

Our company, which participated in the first evaluation in 2024, has established a solid strategy and framework for addressing climate change based on our research, development, and manufacturing of new battery mobility products. We have set a goal to reduce carbon intensity by 80% by 2035, and we regularly report to the board of directors, calculate carbon emissions, and implement carbon reduction activities through energy savings. This has been verified by third-party, the Global Industries Transparency Index (GITI), and recognized by CDP.

Our company will continue to expand our response to climate change in collaboration with our supply chain, based on our ESG vision of "Drive a Better Life." We aim to make customer value as a sustainability partner for our clients and contribute to building a sustainable mobility ecosystem.

LG MAGNA

"LG Magna's ESG Management"

01 What is the ESG?

· Definition and subfactors of the ESG

· Background of the ESG - ① Climate Change ② Redefining Goals of Corporates ③ Characteristics of ESG Management

· Awareness of the ESG

02 LG Magna's ESG Management System

· LG Magna ESG Vision

· LG Magna ESG Strategy

· LG Magna ESG Goals

· LG Magna ESG's Management System Operating Plan

· Introduction of LG Magna ESG Committee/Council Structure

(Appendix) ESG 1 Minute Glossary

ESG Letter/News

ESG Magazine



LG Magna Sustainability

Environmental

017 Climate Change Response

022 Environmental Management

Environmental

Climate Change Response

LG Magna recognizes the seriousness of climate change and has set a goal to achieve carbon neutrality by 2050, based on a scenario that limits the increase in global temperature to 1.5°C above pre-industrial levels.

In addition, the company has established an internal framework to achieve this carbon neutrality goal, which includes setting intermediate targets and developing strategies for their attainment. These activities are aimed at building a management foundation that enables agile and systematic responses to future climate change challenges.

As a result of these efforts, LG Magna has achieved a Management B rating in the 2024 CDP Climate Change sector.

UN SDGs


7 Affordable and Clean Energy


13 Climate Action

Key Achievements (~2025Y)

Scope 1&2 Carbon Emission 27,407 * Based on 2024 (tonCO2-eq)	Carbon Emission intensity 2.45 * Based on 2024
Carbon Emission Reduction 499 * Cumulative data (tonCO2-eq)	Establishment of a Carbon Emission Reduction Road-map (Approval by BOD)

Main Certifications

2024 CDP Climate Change 'B'

Verification of GHG Emissions (2021~2024)

* Based on Korea

Short-term Goals (~2028Y)

Operation of Task Organization for Carbon Emission Reduction Activities Based on Energy Reduction (Annually)

Completion of Pilot Carbon Footprint Assessment by Product (w/Customers) (by 2026)

Enhancement of Climate Change Response Activities

- Implementation of product-Level carbon footprint assessment system (by 2028)
- Estimation of emissions related to Scope 3 categories (by 2027)
- Verification of emissions from overseas production sites and Scope 3 (by 2028)
- Establishment and Implementation of projects to support partner companies' climate change response capabilities (by 2028)

Mid- to Long- term Goals (2029Y~)

Reduction of Carbon Emission Intensity by 80% Across the Organization Compared to the Base Year (by 2030)

Assessment of Product-Level Carbon Footprint for All Products (by 2030)

Achieving CDP Climate Change Leadership 'A-' Rating (by 2030)

Achieving 90% Renewable Energy Usage Across the Organization (by 2040)

Reduction of Carbon Emission Intensity by 100% Across the Organization Compared to the Base Year (by 2050)

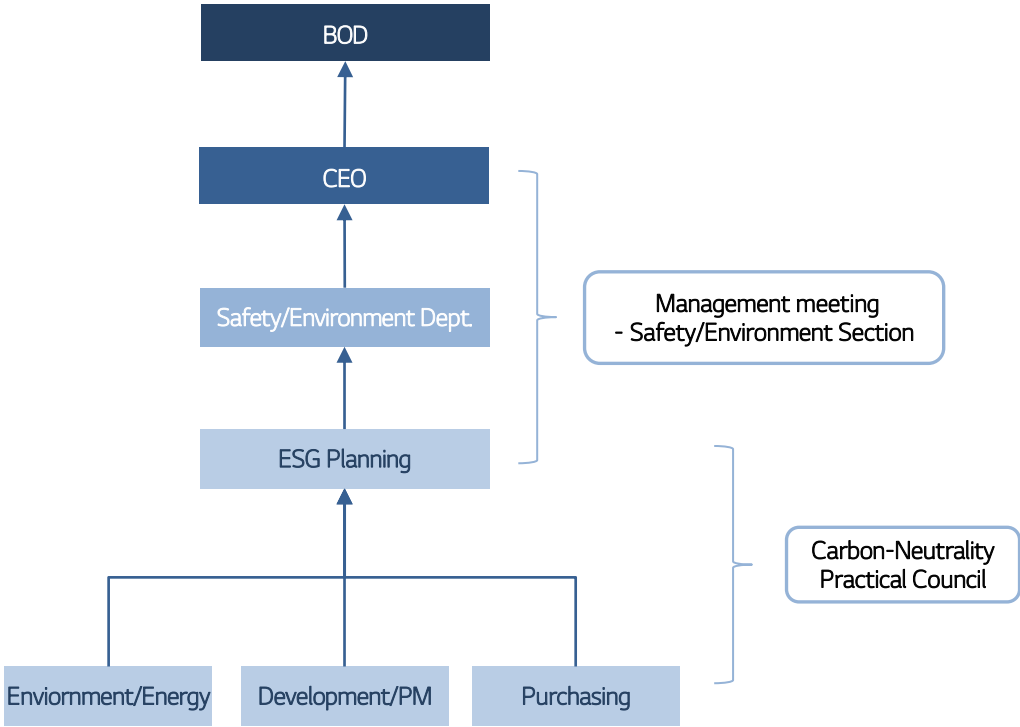
Achieving 'Net Zero' Carbon Emissions (by 2050)

Climate Change Response System

Governance

LG Magna recognizes climate change not merely as a global trend but as a responsibility to actively engage in climate change mitigation efforts as a main player in the electric vehicle powertrain sector. The company feels a duty to contribute to these efforts and to set exemplary cases. Accordingly, the CEO supports the practical organization's climate change initiatives and the board's oversight, aiming to ensure the sustainability of climate change-responsive businesses through the development and supply of eco-friendly technologies.

[Climate Change Response Organization and Consultation Body]



BOD Oversight

The board oversees climate change response efforts by approving short-term and medium-term goals. They receive periodic reports on the implementation status and performance of main objectives, and they make decisions on related significant matters.

Date	Agenda	Result
March, 2024	- Agreement on the Paris Agreement on Climate Change - Establishment of Carbon Emission main Performance Indicators (KPIs) - Medium to Long-term Carbon Emission Intensity Targets (Scope 1 & 2) - Carbon Neutrality Goals, Plans for main Climate Change Response Activities	Approved
March, 2025	- LG Magna's Carbon Emission Performance and Related Activity Results for 2024 - LG Magna's Carbon Reduction and Related Activity Plans for 2025	Report

Management meeting - Safety/Environment Section

The management recognizes the significant impact that climate change response progress and related customer requirements can have on the business. To prevent these issues from evolving into risk factors for business operations, they receive regular quarterly reports on greenhouse gas emissions status. Additionally, decision-making and oversight are conducted through the company's management meeting body.

Carbon-Neutrality Practical Council

The Carbon Neutrality Practical Council operates with the participation of four main organizations, each with distinct roles :

- ESG Planning Org. is responsible for establishing the overall climate change response strategy and addressing stakeholder requirements. They work closely with other organizations within the Carbon Neutrality Practical Council to share information and collaboratively develop and implement plans to achieve carbon neutrality. They also coordinate and support the activities of each organization and build a company-wide cooperation framework.
- Purchasing Org. encourages the participation of suppliers in carbon neutrality activities and manages the consideration of carbon reduction across all procurement activities. They play a practical management role regarding the supply chain by including carbon emission-related clauses in procurement contracts.
- Development/Project Management Org. focuses on developing products and technologies that minimize carbon emissions. They assess the carbon footprint, which evaluates emissions throughout the product lifecycle, and support research and development activities aimed at reducing these emissions.
- Environmental/Energy Org. promotes energy efficiency improvement projects and works to increase the share of renewable energy usage to reduce carbon emissions. They also contribute to carbon reduction by establishing and operating systems to enhance waste recycling and reduce waste generation.

Climate Change Response Strategy

Risk and Opportunity

LG Magna aims to analyze the potential impacts of main climate change risks and opportunities, and to establish and implement a response plan.

Main Risks

Category	Main Risk	Impact	Period	Area	Contents	Response Status and Plans
Physical Risk	Heatwave and Cold Wave	Costs ▲	Short, Mid, Long	Direct operations	- Due to climate change, abnormal high and low temperatures may occur, which can lead to an increase in heating and cooling energy consumption at the workplace.	- To save energy, we have established a separate organization to conduct monthly energy monitoring on an annual basis, identifying and implementing energy-saving measures.
	Typhoon Damage	Revenue ▼	Short, Mid, Long	Direct operations	- Due to climate change, the frequency and intensity of typhoons in the East Asia region may increase, which could heighten the risk of facility damage at production sites in China and South Korea.	- To minimize financial losses, we have taken out disaster insurance and are monitoring typhoon forecasts to reduce actual facility damage. Additionally, we conduct regular training to prepare for emergency situations.
Transition Risk	Non-compliance with Customer Requirements	Revenue ▼	Mid, Long	Direct operations	- If a business fails to adequately respond to customer demands regarding climate change, there is a risk of losing its reputation, and in extreme cases, it may lose partnerships.	- To comply with customer requirements, we conduct a commitment to implementation regarding relevant matters at the contract stage with our partner companies, and we operate a collaborative response system to ensure compliance.
	Non-compliance with Regulations	Costs ▲	Mid, Long	Value chain	- The EU Carbon Border Adjustment Mechanism and other greenhouse gas regulations at the product level may lead to increased costs due to exceeding raw material supply standards. Additionally, we may need to hire specialized personnel to calculate the carbon emissions of each product and ensure regulatory compliance.	- We are developing internal experts to assess product carbon emissions and incorporating anticipated risk-related costs into our management plans. In the long term, we plan to collaborate with our supply chain to reduce our carbon footprint.
	Decrease in Energy Efficiency	Costs ▲	Short, Mid	Direct operations	- We have commenced operations at production facilities in Mexico and Hungary in 2024 and 2025, respectively. If an energy management system is not applied at these factories, the risks associated with energy consumption and greenhouse gas emissions will increase.	- We plan to disseminate the effective energy management system currently in operation at our headquarters to support efficient energy management at our new overseas subsidiaries.
	Disruption in Transition to Renewable Energy	Costs ▲	Mid, Long	Direct operations	- A main activity for reducing greenhouse gas emissions is the adoption of renewable energy. However, the global expansion of renewable energy may lead to supply imbalances, resulting in increased procurement costs.	- We have established a regional long-term plan for the adoption of renewable energy, and particularly for our overseas subsidiaries, we will collaborate with our parent company, LG Electronics, to economically and efficiently secure renewable energy.

Main Opportunities

Category	Main Risk	Impact	Period	Area	Contents	Response Status and Plans
Transition Opportunity	Expansion of the Eco-friendly EV Market	Revenue ▲	Mid, Long	Direct operations	- As a manufacturer of eco-friendly electric vehicle components, we see significant opportunities arising from government support and increased investment due to the climate crisis, as well as growing demand and market expansion.	- To attract partnerships with our customers, we are expanding our research and development efforts in eco-friendly automotive components and plan to participate in customer Tech Days regularly to establish a foundation for sustainable growth through these opportunities.
	Voluntary Collaboration in the Supply Chain	Costs ▼	Mid, Long	Value chain	- In response to various regulations and industry trends, main partners in our supply chain may also strive to address climate change in environmentally friendly ways.	- We are establishing guidelines related to climate change for our major partners to raise awareness, and we plan to support them in diagnosing and improving their current capabilities through self-assessments in the future.

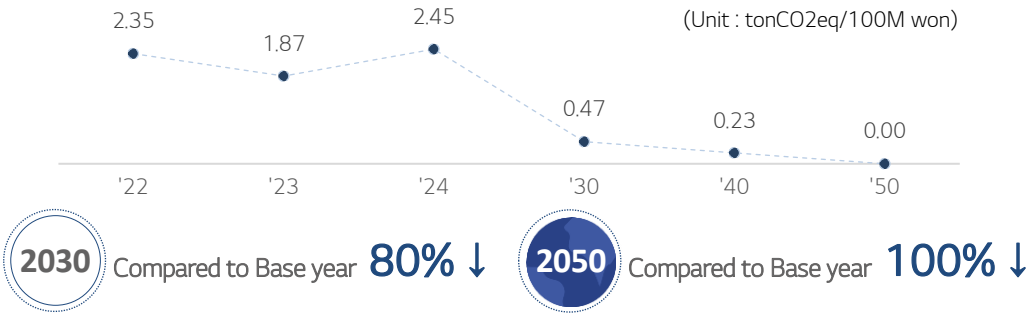
Climate Change Response Strategy

Goals and Plans

LG Magna has established carbon neutrality goals by considering various factors, including regulatory trends, stakeholder requirements, and the business environment, to ensure realistic and sustainable business operations. The main performance indicators (KPIs) for these goals are set based on the expected continuous increase in absolute carbon emissions in line with business growth. Therefore, the targets are defined in terms of emission intensity (emissions/revenue), with the baseline year for assessment set as 2022, the first full-time accounting year of the corporation.

The Carbon-Neutrality Goal

We have set a goal to continuously optimize energy use, which is a major factor in carbon emissions within the Scope 1 and 2 categories. Our plan is to gradually transition our electricity consumption to renewable energy, aiming to achieve an 80% reduction in carbon emissions per unit (KPI) by 2030 compared to the base year, and a 100% reduction by 2050. The ultimate carbon neutrality goal, which includes Scope 3 emissions, is established in line with the long-term objectives of the Paris Agreement, targeting the year 2050.



Time	KPI Target (tonCO2eq/100M won)	Main Achievement Strategies
2030	0.47 (80% ↓ vs. 22Y)	<ul style="list-style-type: none"> Energy-saving activities and investments: Implementing measures to reduce energy consumption and improve production efficiency (line stabilization and defect rate reduction, etc.) Transition to 100% renewable energy for overseas subsidiaries (purchasing certifications, etc.)
2050	0.00 (100% ↓ vs. 22Y)	<ul style="list-style-type: none"> Transition to 100% renewable energy for domestic operations (Achieving RE100) Offset activities for emissions from fossil fuel use (transitioning to renewable energy facilities and purchasing carbon credits)

Renewable Energy Transition Plan

LG Magna has indirectly participated in the RE100 Initiative in accordance with LG Electronics' participation as the parent company. As a result, we plan to transition to 100% renewable energy for the electricity used in our overseas operations by 2030. In the long term, we aim to expand the use of renewable energy in our domestic operations as well, with a goal of implementing 100% renewable energy across all facilities by 2050. In the initial stages, we will use indirect methods such as purchasing REC (Renewable Energy Certificates), and based on business performance, we are planning direct implementation methods, including self-investment in solar facilities.

Production Site	Renewable Energy Supply Methods		2030Y	2050Y
China	REC PPA Self-Generation Facilities	- Purchase of Renewable Energy Certificates - Direct Power Purchase Agreements for Renewable Energy - Self-Investment in Solar Facilities	100%	100%
Mexico				
Hungary				
Korea	Green Premium Self-Generation Facilities	- Subscription to Renewable Energy Rates - Self-Investment in Solar Facilities	-	

[RE100 Initiative Guideline]

Time	Renewable Energy Usage Rate
2030Y	60% ↑
2040Y	90% ↑
2050Y	100%



[Renewable Energy Supply Methods]

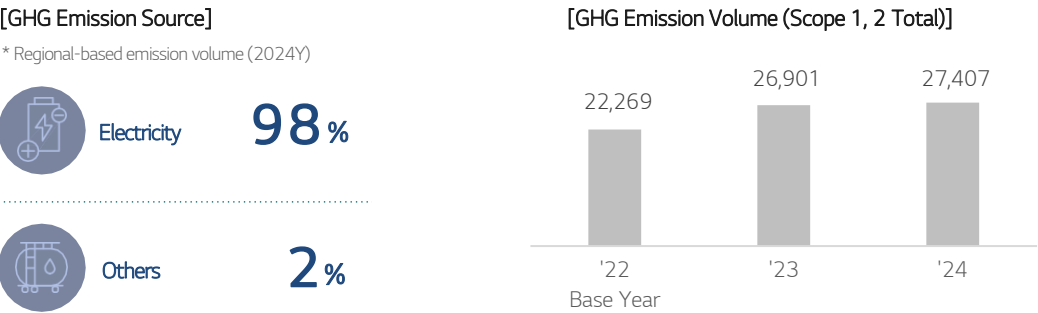
PPA (Power Purchase Agreement)	REC (Renewable Energy Certificates)	Green Premium	Self-Generation Facilities
A system that allows electricity users to purchase electricity from renewable energy generators through renewable energy suppliers, recognizing that the electricity users are directly using renewable energy.	A system in which companies or facilities that produce renewable energy receive certificates that prove the amount of renewable energy they have produced.	A system where electricity users pay an additional fee to Korea Electric Power Corporation (KEPCO) to purchase electricity generated from renewable energy.	A system where electricity users install their own self-owned renewable energy generation facilities and directly use the electricity produced.

Climate Change Response Performance and Activitiy

Greenhouse Gas Emission

LG Magna monitors its greenhouse gas emissions monthly in accordance with 1) IPCC Guidelines and 2) Korea GHG and Energy Target Management System Operating Guidelines. Since the establishment of the corporation in 2021, the business has been continuously expanding, with new production facilities set to commence operations in Mexico in 2024 and Hungary in 2025, leading to an increasing trend in absolute greenhouse gas emissions. To mitigate emissions, the company is actively engaged in energy-saving initiatives, which are the primary source of greenhouse gas emissions. Currently, third-party verification of emissions is conducted for domestic operations, which account for 70% of total emissions, while verification for overseas operations is planned to begin in 2027, coinciding with the start of significant revenue generation. Additionally, the management scope will be expanded to include Scope 3 emissions, and the company aims to collaborate with partner companies to reduce product-level greenhouse gas emissions, striving for long-term compliance with carbon neutrality goals.

Scope1&2 Emission
 * Scope 1 : Direct Emissions (LNG, Gasoline), Scope 2 : Indirect Emissions (Electricity)



Main GHG Reduction Achievements
 * Excluding general saving activities

Source	Reduction (ton CO2eq/year)	Methods
Electricity Usage	32	<ul style="list-style-type: none"> Improved cooling efficiency by changing the cooling method of production line equipment from air-cooled to water-cooled. Changed the cooling method of winter testing laboratory equipment from refrigerant-based to outdoor air-based (modifying the cooling structure of the air conditioning unit).
Fossil fuel combustion	417	<ul style="list-style-type: none"> Produced steam through LNG combustion and supplied it to various buildings within the facility. Installed high-efficiency electric boilers, water heaters, and humidifiers in the buildings to eliminate heat loss during LNG transport and improve heat usage efficiency.

Climate Change Response Activities Plan

Scope 3 Emission Management

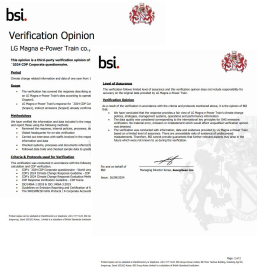
LG Magna plans to identify Scope 3 categories that are significantly related to its management and business activities and will monitor emissions until 2027. In particular, the company is currently conducting a pilot project to estimate carbon emissions per product unit in collaboration with some customers throughout the product life cycle. Moving forward, LG Magna aims to internalize relevant capabilities and, by 2030, will work with partner companies to estimate upstream emissions for all product lines and collaborate with customers to complete the estimation of downstream emissions. Additionally, the company plans to identify and implement joint supply chain initiatives to reduce carbon emissions at each stage.

Category	Contents	Relevance
Category 1	▪ All upstream emissions of purchased goods and services	-
Category 2	▪ All upstream emissions of purchased capital goods	◎
Category 3	▪ All upstream emissions of purchased fuels or energy related activities (Not included in scope 1&2)	-
Category 4	▪ All upstream emissions of purchased transportation and distribution services	◎
Category 5	▪ Emissions from disposal and treatment of waste generated in the company	◎
Category 6	▪ Emissions from the transportation of employees for business-related activities in the company	-
Category 7	▪ Emissions from the transportation of employees between their homes and their worksites	-
Category 8	▪ Emissionf from the operation of assets leased by the company (lessee) (Not included in scope 1&2)	-
Category 9	▪ Emissions from the transportation and distribution of products sold by the company	◎
Category 10	▪ Emissions from the processing of intermediate products sold by the company	◎
Category 11	▪ Emissions from the end use of goods and services sold by the company	◎
Category 12	▪ Emissions from the waste disposal and treatment of products sold by the company	◎
Category 13	▪ Emissions from the operation of assets owned by the company	-
Category 14	▪ Emissions from the operation of franchises	-
Category 15	▪ Emissions from the operation of investments (including equity and debt investments and project finance) (Not included in scope 1&2)	-

Stakeholder Communication through CDP Reporting

In order to assess and improve the company's climate change response system through third-party assessment, enhance the transparency of related information, and provide trust to stakeholders, we submitted our Climate section for third-party verification by the British Standards Institution (BSI) to the global ESG assessment organization, CDP (Carbon Disclosure Project), in 2024.

As a result, LG Magna achieved a 'Management Level B', which is higher than the global average, in the first assessment, recognizing our systematic management and efforts in addressing climate change.



Environmental

Environmental Management

LG Magna is actively promoting eco-friendly management for a sustainable future. We have established a systematic management system to thoroughly implement international standards such as ISO for environmental management systems and regulations related to eco-friendly products. All main management elements are operated based on IT systems to maximize efficiency.

Additionally, we optimize energy consumption through energy efficiency improvements and promote resource recycling and reuse to minimize resource waste.

UN SDGs

- 

6
 Clean Water and Sanitation
- 

7
 Affordable and Clean Energy
- 

11
 Sustainable Cities and Communities
- 

12
 Responsible Consumption and Production
- 

15
 Life on Land

Key Achievements (~2025Y)

Environmental Regulation Violations 0 cases	Waste Recycling Rate 94.7% <small>* Based on 2024</small>
Energy Usage per Unit 19.8 <small>* Unit (TJ/revenue)</small>	Energy Savings Amount 2.5 100M WON/year <small>* 2021~2024 (Investment Activities Only)</small>

Main Certifications

- ISO 14001 (Environmental Management System)
- ISO 50001 (Energy Management System)
- Incheon Metropolitan City
 Excellent Environmental Management Company

Short-term Goals (~2028Y)

- Environmental regulation violations: 'Zero'
- Achieved Zero Waste to Landfill certification_Incheon facility : 'Gold level' (by 2028)
- 10% improvement in energy usage per unit compared to the base year (2022)
* Energy Usage per unit (2022Y) : 19.2 TJ/100M WON
- 100% acquisition of ISO 14001 certification for overseas subsidiaries (by 2027)
- Strengthening Management System Activities
- Stabilization of IoT system operation for air pollutant emission and prevention facilities (by 2026)
 - Maximizing sales through analysis of unused materials and waste characteristics (Annually)
 - Establishing a waste management system for overseas subsidiaries (by 2027)

Mid- to Long- term Goals (2029Y~)

- Environmental regulation violations 'Zero' and certified as an excellent company for environmental information disclosure (by 2030)
- Achieved Zero Waste to Landfill certification for overseas subsidiaries (by 2030)
- 20% improvement in energy usage per unit compared to the base year (2022) (by 2030)

Environmental Management System

Environmental Management Strategy

LG Magna has established an eco-friendly promotion strategy based on ISO 14001 (Environmental Management System) and ISO 50001 (Energy Management System) to pursue sustainable growth. In accordance with ISO 14001, we consider recycling and waste reduction from the product development stage to minimize environmental impacts and have established systems to reduce pollutant emissions during the production process. To achieve this, we set environmental goals and conduct continuous monitoring and improvement activities. Additionally, based on ISO 50001, we have built and operate systems aimed at improving energy efficiency and reducing energy consumption. This includes analyzing energy usage, setting energy-saving targets, introducing energy-efficient equipment, and providing employee training. We operate energy-saving programs to reduce electricity consumption and greenhouse gas emissions, continuously managing energy performance indicators to enhance the effectiveness of our energy management system. By integrating these two international standards, we create synergies and make company-wide efforts toward eco-friendly management. We aim to strengthen our competitiveness and achieve sustainable growth by enhancing communication with stakeholders and ultimately supporting the development and production of eco-friendly products.

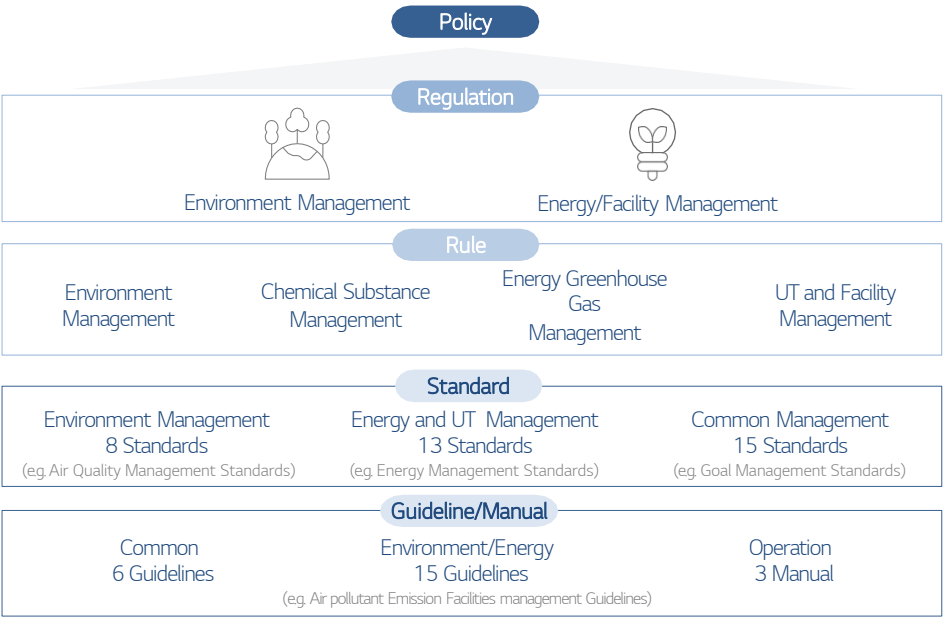


Safety-Health-Environment-Energy Policy

- When making decisions on management activities, safety, health, environment, and energy are considered as priority to management efficiency and economy.
- We faithfully implement laws and international agreements, establish and operate our own standards that exceed the legal requirements, and pursue continuous improvement.
- We strive to establish a safety culture that complies with the basics and create a healthy and safe work environment.
- Minimize greenhouse gas emissions by optimizing energy efficiency, investing in carbon reduction technologies, and expanding the use of renewable energy.
- We minimize environmental impact in the entire process from product design to production, use, and disposal, and take the lead in preventing and protecting environmental pollution through eco-friendly product development.
- We actively support vendorship companies and local communities to improve safety, health, environment, and energy.

Environmental and Energy Standards

To practice management that prioritizes the environment and energy, we have established our own environmental and energy standards and operate them systematically. These standards are structured into policies, regulations, rules, standards, guidelines, and manuals, and they apply equally to all LG Magna employees as well as to all visitors and partner company employees. Additionally, we conduct regular reviews of these standards annually and revise them as necessary for continuous improvement. Through these efforts, LG Magna aims to achieve environmental protection, energy conservation, and promote sustainable development.



Environmental Management Operation

Environmental Impact Risk/Opportunity Management

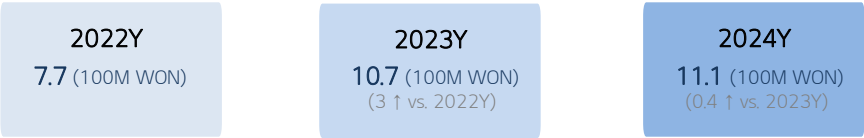
LG Magna identifies and assesses risk and opportunity factors related to environmental and energy aspects in accordance with ISO management system standards. We focus on developing and implementing response plans for high-risk factors. Through this approach, we strive to minimize environmental impacts, maximize energy efficiency, and achieve sustainable management. Additionally, we continuously improve environmental risks and performance through regular monitoring and assessment.

Analysis of Main Environmental Impact Risk/Opportunity

	Category	Impact	Period	Response Status and Plans
Risk	Increase of Energy price	Energy cost ▲	Short ↑	- Systematic annual implementation of energy-saving activities
	Interruption of Power supply	Revenue ▼	Short ↑	- Continuous training and preventive maintenance of facilities using emergency response scenarios
	Increase of hazardous material handling	Costs ▲ (Management/Risk)	Short	- Active review and efficiency improvement of management systems for alternative hazardous chemicals
	Increase of new facilities	Costs ▲ (Management/Risk)	Short	- Pre-review and post-management system implementation for permits and management inclusion due to the increase in pollutant emission facilities
	Operation of new business sites	Costs ▲ (Management/Risk)	Short	- Support for establishing an efficient internal management system based on the environmental management system with the new operation of overseas subsidiaries
	Generation of large amounts of surplus materials	Costs ▲ (Management/Risk)	Short ↑	- Maximization of recyclable components through analysis of surplus materials for profitable sales
	Strengthening of environmental regulations	Costs ▲ (Management/Risk)	Short ↑	- Monthly monitoring of environmental regulation amendments and establishment of response measures
	Sudden failure of environmental equipment	Costs ▲ (Environmental Accidents)	Short ↑	- Systematic preventive inspections and maintenance through risk level assessment of environmental equipment
	Non-compliance with regulations/customers requirements	Costs ▲ (Quality/Penalty)	Short ↑	- Regular diagnosis and improvement of internal environmental and quality risk management processes
Opportunity	Climate change	Costs ▲ (Management/Risk)	Short ↑	- Securing assessment capabilities and response measures based on the product life cycle
	Selection as an Excellent environmental management company in local government	Costs ▼ (Management/Risk)	Short	- Identification and application of management know-how through meetings with excellent environmental management companies
	Improvement in waste separation and disposal by employees	Sale at a profit ▲	Short ↑	- Continuous activities to improve awareness of waste separation and disposal

Environmental Investment

LG Magna prioritizes environmental activities in accordance with its safety and environmental management policy. Each year, investments and expenditures are made in areas such as environment, chemicals, waste, and energy to minimize environmental impacts. Through these efforts, we strive to achieve sustainable management and contribute to environmental protection to the best of our ability.



Monitoring and Education on Environmental Regulations

We conduct a biannual compliance assessment by compiling a comprehensive list of environmental regulations. In the first week of each month, we investigate the trends in amendments to environmental regulations from the previous month, assess their impact on our operations, and take action based on established criteria. The regulations applicable to our operations are incorporated into our internal environmental training programs, which helps enhance the knowledge and interest of our employees in environmental matters continuously.

Category	Main Contents
Specialized Education for SHEE Activities	Education on Company Standards for Safety, Health, Environment, and Energy
Environmental Regulations Education	Education on processes related to environmental regulations (e.g. the Air Quality Conservation Act)
Regular Internal Education	Regular Education for personnel responsible for pollution emission facilities and those handling chemicals.
Online Information	Issuance of relevant information that employees need to be aware of regarding the environment, chemicals, and energy.

Collaboration with External Organizations

LG Magna has been recognized as an excellent environmental management company by Incheon Metropolitan City since 2021 due to its outstanding environmental performance. Accordingly, we participate in discussions on environmental policies through regular meetings held at least twice a year with other excellent environmental management companies in Incheon. Additionally, we actively cooperate with government policies by voluntarily disclosing environmental information.



Environmental Pollutant Management

Environmental Pollutant Management Standards

LG Magna has established pollutant management standards based on the ISO 14001 standard and relevant environmental regulations, and we rigorously implement these standards. As a core management element, we conduct an environmental impact assessment of all processes and activities at least once a year. This allows us to identify major sources of pollution and risk factors, and we regularly derive and implement management activities and additional improvement plans to proactively address and manage factors that could negatively impact the workplace environment. Additionally, dedicated environmental management personnel are assigned to the site to conduct planned inspections and monitoring, and all internal processes are managed through an IT-based system, enabling prompt and appropriate responses to risk factors.

Pollutant Management Process



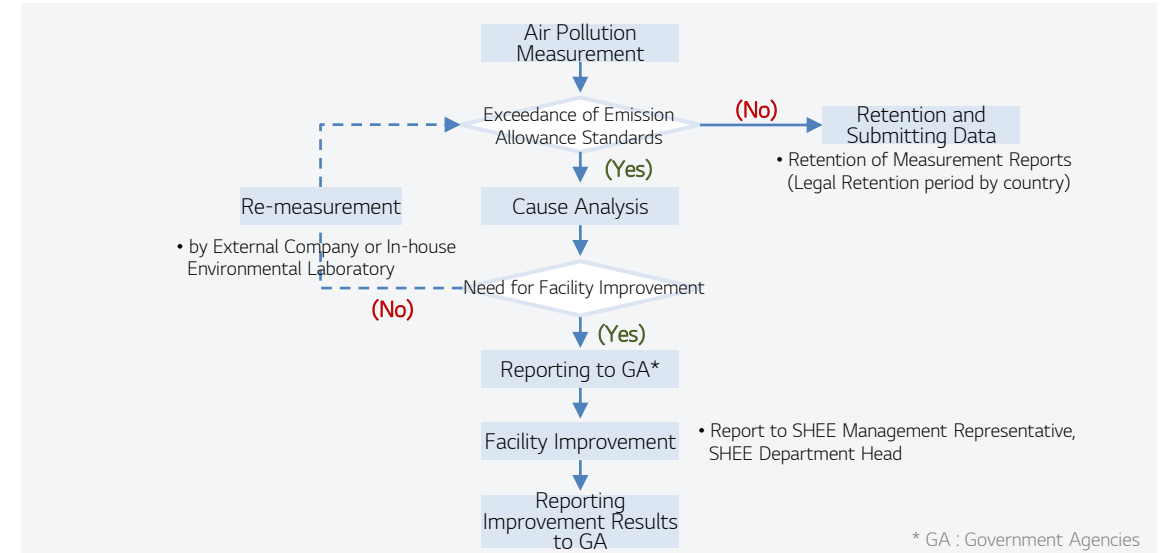
Air Pollutant Management

We manage the emission concentrations of air pollutants generated at the workplace by setting internal standards that are stricter than the Air Quality Conservation Act (legal standard: below 70%). We control the emission concentrations of air pollutants through periodic air measurements based on the type of substance and facility. We also conduct unannounced inspections of sample collection by air measurement subcontractors and implement monitoring to prevent environmental accidents. Furthermore, starting in 2025, we will install an IoT system for real-time operational monitoring of major air pollutant emission facilities and prevention systems to enhance pollutant emission monitoring. All procedures are carried out based on clearly defined criteria in accordance with pre-established processes.



[Real-Time Monitoring System for Air Pollutant Emission and Prevention Facilities]

Process for Reporting Exceedance of Air Emission Allowance Standards



VOCs* and ODS** Management

*Volatile Organic Compounds **Ozone-Depleting Substances

Volatile Organic Compounds (VOCs) refer to substances that exist in a gaseous state at room temperature due to their high vapor pressure. Although LG Magna does not belong to industries with high VOC emissions, we conduct regular measurements of VOCs for strict management.

Additionally, to manage Ozone-Depleting Substances (ODS), we have established and comply with refrigerant management guidelines at our facilities. Accordingly, refrigerants used within the facilities undergo prior risk assessments, and high-risk refrigerants are screened. We also conduct an annual survey of refrigerant usage and report the findings to the relevant authorities.

Water Pollution Management

LG Magna complies with relevant regulations, including the Water Environment Conservation Act. To this end, we have established internal standards for water quality management and conduct analysis and monitoring of discharged pollutants. The wastewater generated from pollution sources is less than an average of 300 tons per month and is entirely handled by a contracted service provider. We verify the proper handling of this wastewater through an annual on-site audit of the contracted processing company.

Circular Resource Management

Waste Management

LG Magna has established standards for the disposal, storage, and treatment of waste generated at our facilities to minimize environmental impacts, prevent pollution, and maximize resource recycling. We ensure proper separation of all waste from the generation stage according to management cycles and monitor performance and management facilities. Additionally, we verify compliance with relevant regulations through regular assessments of our waste disposal partner companies.

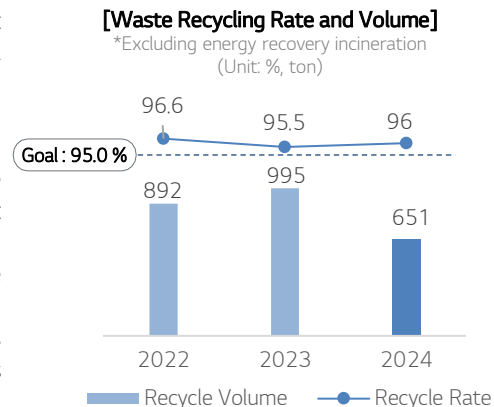


Waste Recycling Rate and Volume

We manage waste by categorizing it based on treatment methods such as landfilling, incineration, and recycling, as well as the characteristics of hazardous substances and technical security. To minimize negative impacts on the global environment, we aim to maximize the volume of recycled materials. For waste that cannot be recycled, we have established and implemented policies to recover waste heat through incineration for use as secondary energy. Our recycling rate target is set at 95% across the organization. To achieve this, we have implemented a system for the separate collection of designated waste types with high recycling rates, such as scrap metal, paper, and plastics, at all waste disposal locations within our facilities, along with various other initiatives.

Assessments of Waste Collecting and Treatment Companies

We have established and operate management standards for the fair and systematic selection of waste transport and treatment companies. We conduct regular on-site assessments at least once a year to closely examine the companies' compliance with legal requirements and operational practices, while also supporting continuous improvement.

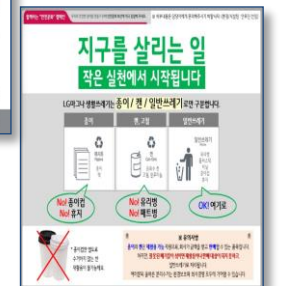


Circular Resource Activities

LG Magna is engaged in resource recycling campaigns aimed at the efficient use of resources and environmental protection. To raise awareness among employees, we have established and implemented an annual promotional plan. Through this, we widely communicate the importance and methods of resource recycling, encouraging everyone to actively participate in resource conservation through proper waste separation. Additionally, we collaborate with various organizations to operate resource recycling event programs, such as the recycling of hand towels and the collection of expired medicines and used batteries. Furthermore, we maximize resource utilization by conducting material analysis and identifying specialized companies for refining and recovery of large-scale surplus materials and waste generated during business operations.



[Recycling Campaign]



[Waste Separation Promotion]

Zero Waste to Landfill Certification

We are pursuing the Zero Waste to Landfill certification from UL (Underwriters Laboratories), a global safety certification organization. Our goal is to achieve a Gold rating or higher by refining relevant standards, identifying waste reduction and recycling companies within our facilities, and modifying the criteria for calculating recycling rates. We are implementing these preparations with the aim of obtaining the certification by 2028.

Water Resource Management

Due to the nature of our business, over 95% of our water usage is for general purposes, which means that the risks related to water resources are not high. Accordingly, we have established and strictly adhere to basic standards related to hygiene management and other aspects of general water use. Additionally, to conserve water, we are implementing water-saving devices on all water supply fixtures in our facilities.

Recycling of Raw Materials in Products

We encourage the use of recycled raw materials, such as steel, aluminum, copper, and rare earth elements, in our products and components within the supply chain. We are managing projects in collaboration with relevant customers to increase the recycling rates of these raw materials. Through this initiative, we aim to reduce environmental destruction caused by the extraction and mining of natural resources and decrease greenhouse gas emissions, thereby contributing to climate change mitigation.

Chemical Substance Management

Chemical Substance Safety Management

LG Magna manages the entire process of handling all chemical substances at our facilities, from receipt to disposal, through a Chemical Management System (CMS). Before initial receipt, substances undergo a pre-assessment to be registered in the inventory. Approved substances are labeled with an approval label for management, and we conduct biannual inventory diagnosis to eliminate the possibility of unauthorized chemical substances being introduced. Material Safety Data Sheets (MSDS) and process instructions for each operation are available on-site, and training is provided in response to any changes. We conduct regular monthly inspections and themed checks at chemical handling locations to eliminate and improve on-site hazards. Additionally, we conduct annual training for chemical spill response to ensure efficient initial response capabilities and the safety of our employees in the event of a real crisis.

Chemical Substance Management System



Chemical Substance Regulation Compliance

All departments handling chemical substances or involved in the import/purchase of chemical substances at LG Magna are required to request a pre-assessment before purchasing any chemicals. SHEE (Safety, Health, Environment, and Energy) personnel from various fields, including the Industrial Safety and Health Act, the Chemical Substance Assessment and Registration Act, and the Chemical Substance Management Act, participate in the review to assess risks associated with relevant regulations.

Departments handling chemicals must either switch to alternative substances for those that have been denied approval or comply with chemical-related laws to request re-approval. In particular, the use of hazardous chemicals is generally restricted, and if such substances are deemed necessary, approval and consensus from the department's executives and the SHEE department must be obtained.

Additionally, guidelines have been established to review the feasibility of alternatives or removal methods on an annual basis. Through this regulatory compliance process, there have been no violations of relevant laws since the establishment of the corporation.

Chemical Substance Management Process *GHS : Globally Harmonized System of Classification and Labelling of Chemicals

[illegible]

[Chemical Substance Comprehensive Manual] [Promotion for Chemical Substance Management Process Training]

Chemical Substance

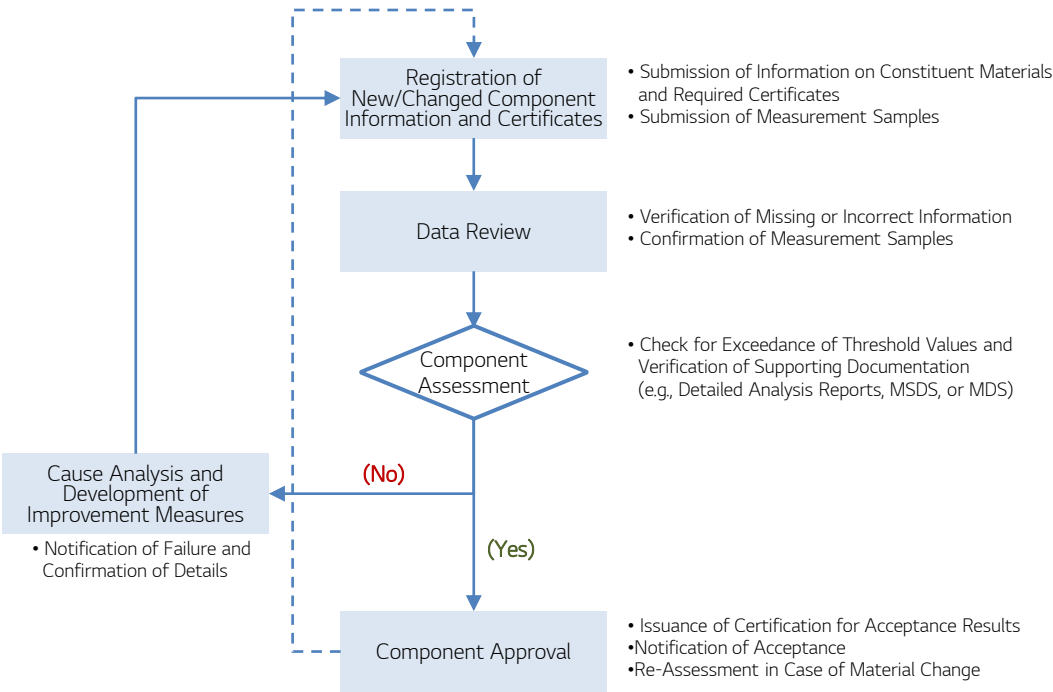
We are committed to preventing related accidents through regular training and education. We conduct annual mock drills simulating hazardous chemical leaks and human injury situations to strengthen our response capabilities. Additionally, we provide specialized training for employees handling hazardous chemicals, educating them on the harmfulness and risks of these substances, as well as precautions to take during handling. Our safety training center has introduced virtual reality (VR) based experiential training content, allowing participants to virtually experience chemical accident scenarios such as laboratory accidents and toxic gas leaks that could occur in real-life situations. This program is mandatory for all employees.

Product Environmental Management

Product Hazardous Substance Management System

LG Magna has established its own hazardous substance management guidelines to comply with international product environmental regulations such as EU RoHS, REACH, and ELV, as well as customer requirements. Through an IT-based Hazardous Substance Management System (HSMS), we provide a list of hazardous substances and their threshold values. From the development stage, partner companies are required to register component information, and if it does not meet the standards, approval for use is not granted. If the standards are met, verification is conducted, referencing various data, including that from third-party accredited testing agencies. If necessary, on-site verification is also conducted using portable hazardous substance analysis equipment.

Product Hazardous Substance Management Process



Hazardous Substance Grade Management

LG Magna categorizes hazardous substances into three levels: LEVEL A-I, LEVEL A-II, and LEVEL B, based on regulatory frameworks. LEVEL A-I includes substances that are completely prohibited for use in products, while LEVEL A-II encompasses international substances beyond EU RoHS regulations. LEVEL B consists of substances that require voluntary substitution or monitoring. This classification helps minimize the use of hazardous substances in products and facilitates the review and application of sustainable material alternatives.

LEVEL A-I Prohibited Substances	LEVEL A-II Prohibited Substances Not included EU RoHS	LEVEL B Voluntary Substitution and Monitoring Substances
10 Hazardous Substances under EU RoHS Regulations	Restricted substances prohibited under national or international agreements other than RoHS	Substances Subject to Monitoring or Reduction
<ul style="list-style-type: none"> • Lead, cadmium, mercury, hexavalent chromium and their compounds (heavy metals) • Brominated flame retardants (PBB (Polybrominated Biphenyls), PBDE (Polybrominated Diphenyl Ethers)) • Four types of phthalates (DEHP, DBP, BBP, DIBP) 	<ul style="list-style-type: none"> • Chlorinated compounds • Asbestos, Organotin compounds • Formaldehyde, ODS (including PCBs, PCNs, PCTs, VOCs, HBCD, Bisphenol A, nickel and its compounds) 	<ul style="list-style-type: none"> • Polyvinyl chloride (PVC), phthalates, beryllium, palladium, bismuth, and other chlorinated flame retardants (substances regulated under EU REACH SVHCs, California Proposition 65, etc., including PVC and PCP)

Management of Hazardous Substances in Supply Chain Products

To ensure that our partner companies comply with the standards and guidelines we require for all components and raw materials used in their products, we conduct regular audits of their hazardous substance management systems. Qualified auditors with a certain level of expertise participate in these audits. Additionally, we provide hazardous substance management training to high-risk partners based on our internal criteria. For mass-produced components, we conduct on-site inspections for hazardous substances (e.g., XRF, phthalates) at least twice a month, depending on their classification. In the event of non-compliance, production is immediately halted, and penalties, including the maximum trading suspension, are applied based on the severity of the violation.

* XRF : X-ray Fluorescence

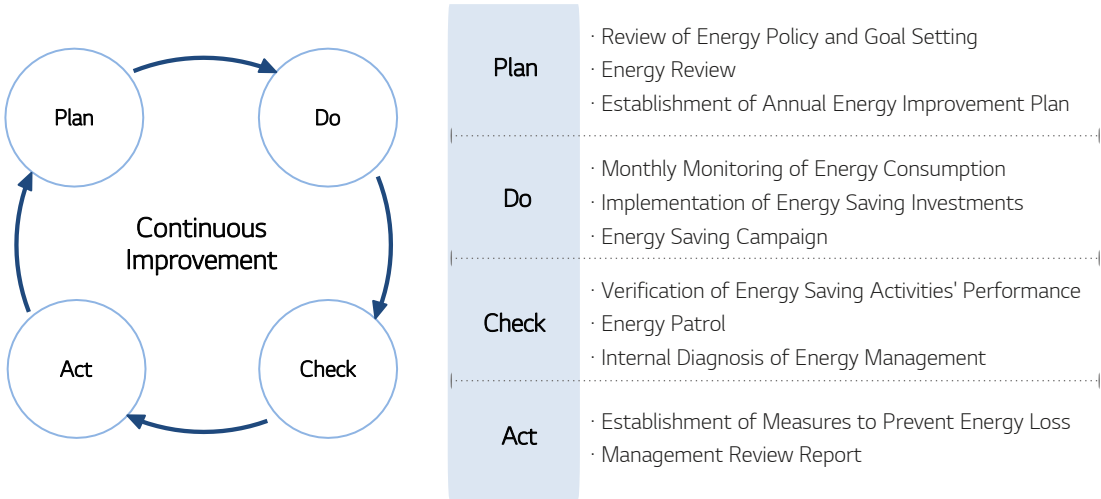
*EU RoHS : Restriction of Hazardous Substances
 **REACH : Registration, Assessment, Authorization & Restriction of Chemicals, European Chemicals Management Regulation
 ***ELV : End of Life Vehicles

Energy Management

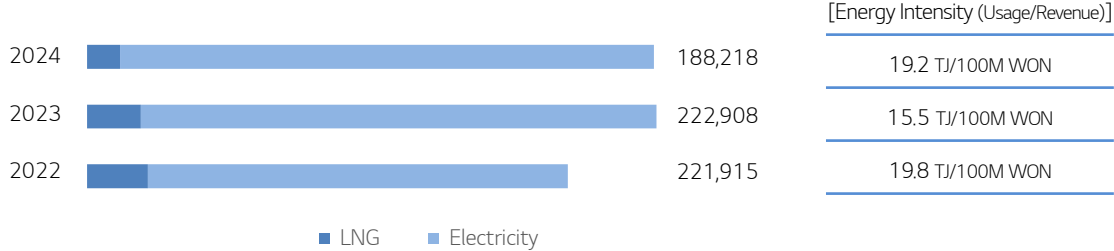
Energy Management System and Status

LG Magna establishes and manages standards based on ISO 50001 (Energy Management System) to ensure that each energy-using organization continuously improves performance, reduces energy costs, and minimizes environmental impact. Through this, LG Magna enhances energy efficiency, reduces operating costs, and decreases greenhouse gas emissions, contributing to environmental protection. Additionally, the company complies with energy-related laws and regulations, strengthens energy management capabilities, and raises employee awareness to achieve sustainable management.

[Energy management system Process]



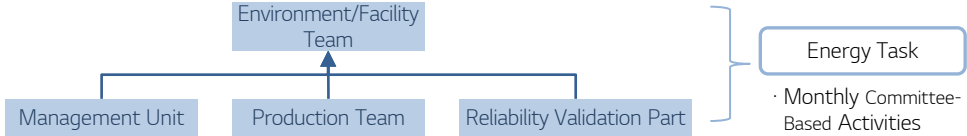
Global Energy Usage Status (Unit : TJ)



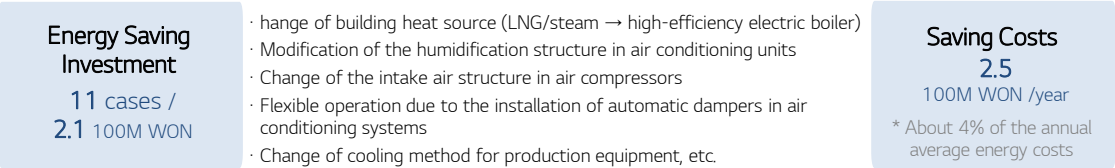
Energy Saving Activities

LG Magna operates a dedicated task organization for energy optimization, which includes key energy-consuming departments. We conduct monthly monitoring of detailed energy performance across various facilities and processes in production, research and development, and utilities. This allows us to identify waste and improvement opportunities, leading to the implementation of reduction activities. The results are reported quarterly at company-wide management meetings, including the CEO and other executives, to strengthen leadership-based execution.

[Energy Saving Organization]



[Energy Saving Investment Performance : 2021Y~2024Y]



Energy Campaign

We are striving to enhance awareness among employees regarding energy-saving practices and encourage participation in activities aimed at improving energy efficiency and establishing a culture of energy conservation. To achieve this, we are implementing various programs and activities, including an energy-saving practice contest, the distribution of promotional materials, and energy patrols.

Additionally, we are establishing a clear system of rewards and penalties to solidify the culture of energy conservation. Employees who submit ideas with significant improvement effects are provided with incentives to strengthen motivation, while organizations that violate energy-saving standards face disciplinary actions to instill a sense of responsibility. Through this systematic approach, we aim to ensure that the entire organization actively participates in energy-saving initiatives with a sense of accountability.





LG Magna Sustainability

Social

031 Safety and Health

039 Inside LG Magna
(Labor and Human Rights/Talent Management)

046 Outside LG Magna
(Supply Chain/Customers/Social Contribution)

Social

Safety and Health

LG Magna is committed to ensuring the safety of all employees and creating a health-friendly workplace by establishing a unique safety culture. This initiative is based on the active interest and participation of management, focusing on internalizing a field-centered self-regulatory safety and health management system.

To achieve this, we are concentrating on enhancing the safety and health risk awareness and accident response capabilities of supervisors and workers by utilizing various management tools.

Key Achievements (~2025Y)

Serious Accidents 0cases * Since 2021	Employee Industrial Accident Rate 0% * Based on 2024 (Same Industry : 0.85%)
Violations of Safety/Health Regulations 0cases * Since 2021	Safety Culture Index 4.1/5.0 * Entering the Stage of Continuous Improvement
Main Awards and Certifications	
The Grand Prize at the 2025 Safety Experience Education Center Best Practices Presentation Contest * By the MEAL and the KOSHA	
The Presidential Award at the 2024 Korea Safety Awards * By the NFA and the KSCA	
ISO 45001 (Occupational Health and Safety Management System)	
Recognition as aSafety Experience Education Center * By the MEAL and the KOSHA (2023)	
An Excellent Research Laboratory for Safety Management * By the MSIT (2024)	
An Excellent Workplace for Health Promotion Activities * By the KOSHA (2024)	

Short-term Goals (~2028Y)

Achieve 'Zero' violations of serois accidents and related regulations

Reduce employee industrial accident rate by over 50% compared to the same industry

Achieve a safety culture index of 4.3

Strengthen the accident prevention management system

- Establish a Serious Injury and Fatality (SIF) model for accident management
- Enhance the content of safety and health education throughout employees' life cycles
- Improve the safety management process for new production line setups

Mid- to Long- term Goals (2029Y~)

Achieve 'Zero' violations of serois accidents and related regulations

Reduce employee industrial accident rate by over 75% compared to the same industry

Achieve a safety culture index of 4.5

Enhance the sophistication of safety and health management

- Monitor and alert unsafe behaviors through AI CCTV
- Improve fire detection and response capabilities by expanding the installation of addressable fire detectors
- Enhance the provision of safety and health information to employees through the installation of digital signage for safety culture

UN SDGs



3

Good Health and Well-being

Safety and Health Management System

Safety and Health Management Strategy

LG Magna is establishing a self-regulatory prevention system based on the international standard for occupational health and safety management systems (ISO 45001) and applying it across all business sites to provide a safe and pleasant working environment for all stakeholders, including employees and partners. This system is detailed through 85 specific safety and health standards, which focus on the proactive identification and improvement of safety and health risk factors. Important safety and health-related decisions are made through the management and board of directors, ensuring responsible leadership. Additionally, various channels for gathering feedback are operated to actively listen to and incorporate the voices from the field, contributing to the continuous improvement of safety and health for all members and visitors at the workplace and strengthening preventive activities.

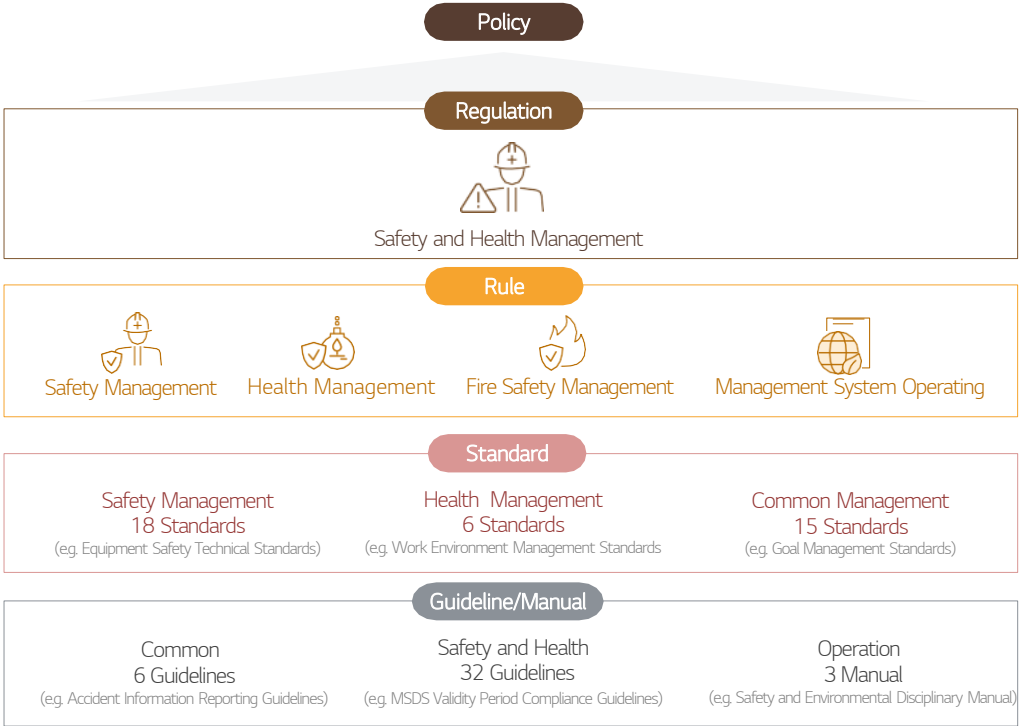


Safety-Health-Environment-Energy Policy

- When making decisions on management activities, safety, health, environment, and energy are considered as priority to management efficiency and economy.
- We faithfully implement laws and international agreements, establish and operate our own standards that exceed the legal requirements, and pursue continuous improvement.
- We strive to establish a safety culture that complies with the basics and create a healthy and safe work environment.
- Minimize greenhouse gas emissions by optimizing energy efficiency, investing in carbon reduction technologies, and expanding the use of renewable energy.
- We minimize environmental impact in the entire process from product design to production, use, and disposal, and take the lead in preventing and protecting environmental pollution through eco-friendly product development.
- We actively support vendorship companies and local communities to improve safety, health, environment, and energy.

Safety and Health Standards

To prioritize safety and health in management practices, we have established our own safety and health standards and operate them systematically. These standards are structured into policies, regulations, rules, criteria, guidelines, and manuals, and they apply equally to all LG Magna employees as well as to all visitors and partner company employees. Additionally, to ensure continuous improvement, we review these standards regularly each year and revise them as necessary.

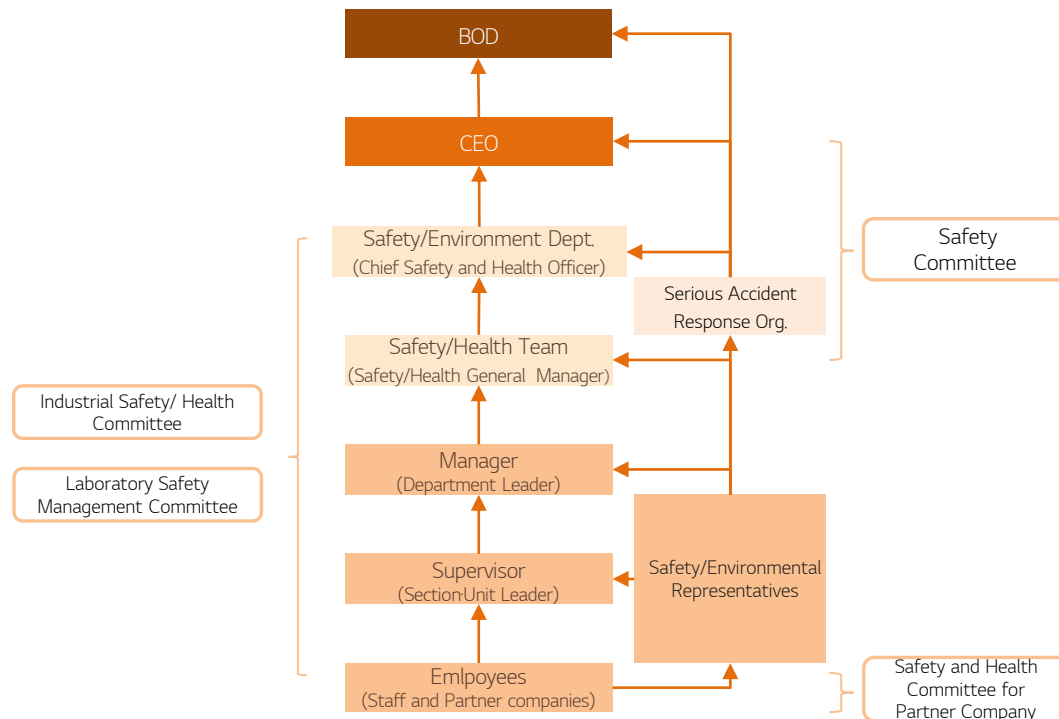


Safety and Health Management System

Safety and Health Decision-Making System

The CEO of LG Magna is responsible for overseeing the company's comprehensive safety and health management system to effectively operate self-discipline in safety and health. This includes the responsibility and supervision of the practical implementation of safety and health policies through the overall safety and health manager and supervisors. To facilitate efficient communication with management, employees, and partner companies, safety and health consultation bodies are established for each group, and safety and environmental representatives are designated in each department to ensure the system operates effectively. This operational framework focuses on strengthening the safety and health culture across all levels, from management to employees, and emphasizes maintaining and improving a safe working environment through mutual cooperation.

[Safety and Health Management Organization and Consultation Body]



Approval of the Industrial Safety and Health Plan by the BOD

The management policy for industrial safety and health, the organization structure, personnel and roles, budget and facility status, as well as the previous year's performance and activity plans are established annually and reported to the Board of Directors for approval and operation.

Safety Committee

The Safety Committee is the highest decision-making body for occupational health and safety in the company, involving the CEO and key executives. It was established to strengthen leadership in risk prevention activities, such as major accidents. Regular meetings are held biannually to report and discuss the CEO's compliance with the obligations under the Serious Accident Punishment Act. Occasional meetings are convened as needed to review company-wide safety and health issues and make decisions for improvements.



[Safety Committee]



[Industrial Safety/Health Committee]

Industrial Safety and Health Committee

The overall safety and health manager at the workplace holds a safety and health committee meeting quarterly, involving representatives from the labor union and administrative staff, to discuss and make decisions on important matters regarding the safety and health of employees with mutual respect. The labor and management sides are composed of the same number of members in accordance with relevant laws, and joint inspections are conducted biannually.

Laboratory Safety and Health Committee

The R&D laboratory of LG Magna is a corporate research institute certified by the government. In accordance with relevant regulations, the head of the research institute holds a safety and health committee meeting biannually to review the status of safety and health and make decisions.

Safety and Health Committee for Partner Company

Under the leadership of the overall safety and health manager at the workplace, safety and health managers establish and operate consultation bodies for in-house partner companies and construction partner companies on a monthly basis. These bodies discuss important matters related to safety and health, provide information, and listen to concerns and suggestions from partner companies regarding safety and health issues. This feedback is used to make improvements and to reflect in safety and health policies. Additionally, joint inspections are conducted biannually to collaboratively address and improve safety and health risks at the site.



[Safety and Health Committee for Partner Company]

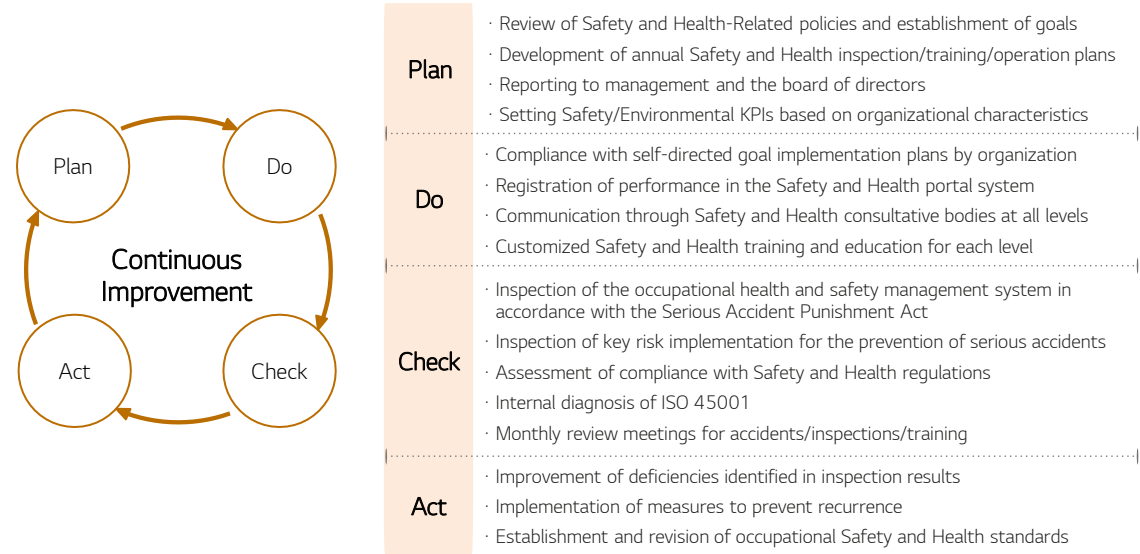
Safety and Health Risk Management

Safety and Health Management System

LG Magna has established and operates its own self-regulatory prevention system based on a safety and health management system. The PDCA (Plan-Do-Check-Act) cycle, as required by the international standard ISO 45001, is systematically applied on an annual basis. Through this system, LG Magna maximizes the efficiency of safety and health management and ensures the safety and health of employees as a top priority by implementing customized preventive measures tailored to the characteristics of its business.

[Status of ISO 45001 Certification by Corporation]

Production Site	Incorporation (Operational Standards)	ISO 45001 Certification
South Korea (Incheon)	2021	2021
China (Nanjing)	2021	2021
Mexico (Ramos)	2024	(Scheduled to 2026)
Hungary (Miskolc)	2025	(Scheduled to 2026)



Safety and Health Diagnostic and Reporting System

LG Magna operates a diagnosis and reporting system as follows to ensure compliance with occupational health and safety regulations and the effective implementation of accident prevention activities.

Safety/Health On-site Inspection by CEO (Safety Walk) Quaterly	Inspection of compliance with regulations (e.g. the Serious Accident Punishment Act) Biannually	On-site inspection (Chief Safety/Health Officer) Twice a Week	Company-wide Safety/Environmental Diagnosis Annually
Renewal and post-diagnosis of the management system Annually	Inspection of preventive activities for key Safety /Environmental risks Monthly	Reporting to the Safety Committee Quaterly	Reporting to the company-wide management meeting (Safety Talk) Monthly

Safety and Health KPI System

We operate a KPI system that establishes occupational health and safety KPIs reflecting the characteristics of each organization, including production, research and development, and administration. This ensures that occupational health and safety are effectively considered in management activities and reflected in performance assessments. Additionally, we design an accident prevention activity index for each organization to monitor their implementation status monthly. In cases where organizations are lacking, the occupational health and safety team provides support activities. This assessment process serves as the foundation for the operation of a self-regulated preventive management system.

Category	CEO, COO	Executive level (Production/R&D)	Executive level (Office)	Supervisor (Production/R&D)	T/L (Office)	Safety/Environment Manager by Dept.
KPI Ratio	5%	10%	5%	15%	10%	15%

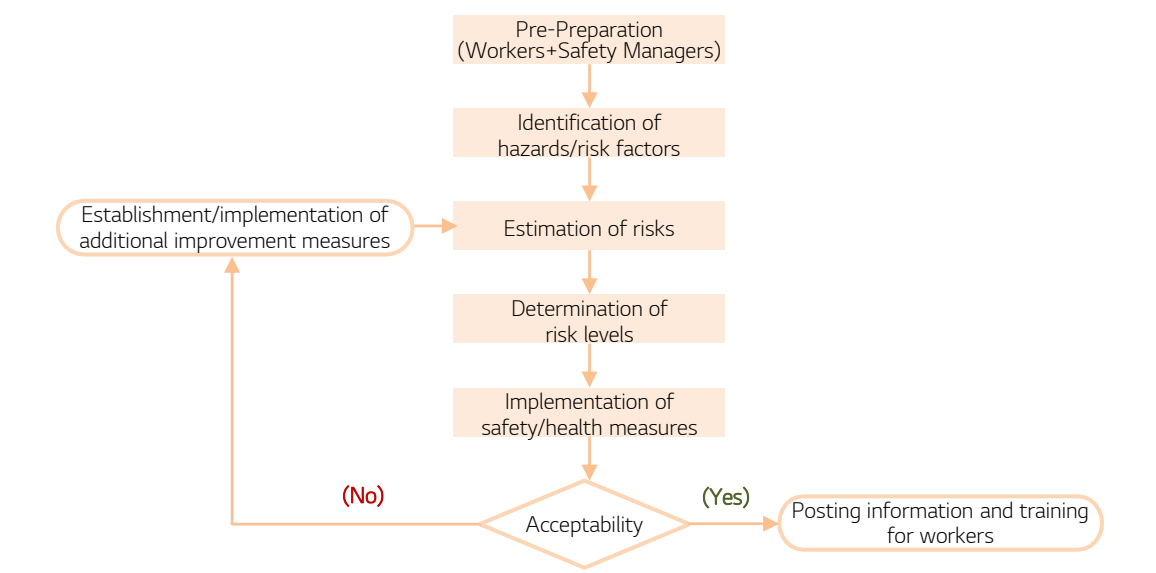
Category	KPI Details				
CEO, COO	<ul style="list-style-type: none">• Accident occurrence• Violation of regulations• Conducting Safety Walk• Conducting Safety Talk	Safety Committee Joining			
Production		<ul style="list-style-type: none">• Compliance w/internal standards• improvement rate of Diagnositic/inspections	Accident Prevention Activity Score	-	
R&D/QA				Laboratory Safety Inspection Grade	
Office				-	
Overseas Subsidiary				<ul style="list-style-type: none">• Timely information reporting• Issuance of safety environment reports	

Safety and Health Risk Management

Risk Assessment Operations

LG Magna conducts risk assessments as a core activity to implement its self-regulatory health and safety management system. This process allows for the proactive identification of safety and occupational disease risks for employees and stakeholders, which are then incorporated into preventive activities. In particular, comprehensive risk assessments are carried out for non-standard abnormal tasks to prevent any risk omissions. Both workers and safety managers participate in the assessments, prioritizing risks based on their severity to establish improvement plans and implement corrective actions. Additionally, training is provided to partner companies to enhance their capabilities in conducting risk assessments.

Category	Main Inspection Items	Cycle	Improvement Rate
Regular Risk Assessment	Verification of the Consistency of Risk Assessments : - Assessment of the appropriateness of risk judgment and mitigation measures	Annually	100%
Occasional Risk Assessment	Verification of implementation based on the timing of occurrence : - In the event of new or changes (equipment, materials, etc.) - In the event of an accident - In the event of construction work, etc.	When harzardous risk factors arise	100%

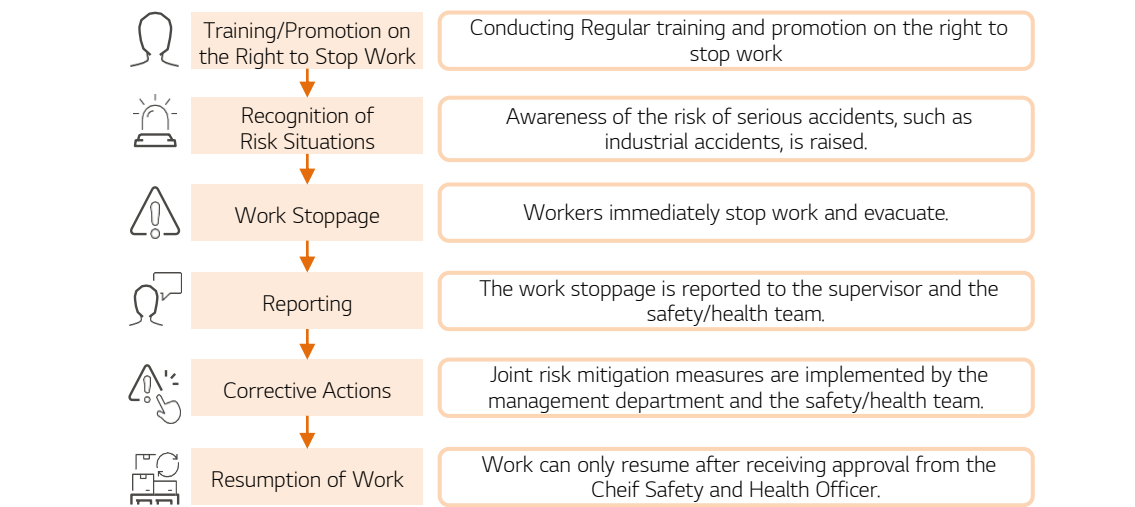


Introduction of the SIF (Serious Injury and Fatality) Model

To advance safety and health risk management, we have adopted the SIF model, which focuses on "serious accidents" within the traditional accident prevention paradigm. SIF refers to serious injuries and fatalities, specifically indicating incidents that have resulted in or have the potential to result in life-threatening or life-altering injuries. LG Magna analyzes all internal operations to identify 12 types of SIF risk tasks and conducts detailed risk assessments for these tasks. In the event of a SIF incident, even if it is minor, a thorough accident investigation is conducted, and fundamental measures to prevent recurrence are established and implemented.

Right to Stop Work

In compliance with the rights of workers under the Industrial Safety and Health Act, we have established a process that allows all employees and members of partner companies to stop work and evacuate in the event of an imminent risk situation that could lead to industrial accidents. This process aims to protect members from hazardous situations arising in processes, tasks, and equipment. Specifically, when hazardous factors are identified, immediate work stoppage measures are implemented, and a work stoppage order is posted at the site. After the work stoppage order is posted, the overall safety and health manager verifies whether the hazardous factors have been resolved, and work can only resume after receiving approval for resumption. This strict procedure contributes to preventing workplace accidents centered around workers and fosters a company-wide safety culture.



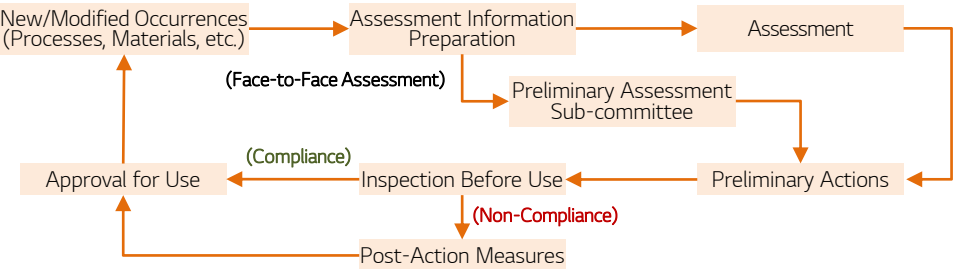
Safety and Health Risk Management

Preliminary Safety and Environmental Risk Assessmentns

LG Magna utilizes the Safety and Health Environment Portal (SHEE Portal) to conduct 100% preliminary safety and environmental assessments for new and modified processes, as well as the use of chemicals, effectively preventing potential hazards in advance. Additionally, we operate a computerized safety work permit system for all construction and maintenance activities conducted within the company, ensuring systematic and effective risk management.

Safety and Environmental Preliminary Assessment System

We operate a system that assesses risks based on relevant legal standards and internal criteria for new and modified processes and chemicals. This system is primarily operated online through the computerized system; however, in cases where a large-scale or legally required hazardous risk prevention plan is necessary, a face-to-face preliminary assessment committee is convened to conduct a more thorough assessment, thereby eliminating risks at the source.



Safety Work Permit System

We implement a preliminary safety work permit system for hazardous tasks within the company. Under this system, risk assessments for tasks, safety training, and pre-task Toolbox Meetings (TBM*) are conducted. Particularly for high-risk tasks such as hot work and working at heights, approval from senior management of the responsible organization is mandatory, and safety measures at the site are monitored until the completion of the work, contributing to the prevention of safety accidents.

2024	General	Work Personnel
Work Permit Cases/person	3,250 cases	12,922 persons

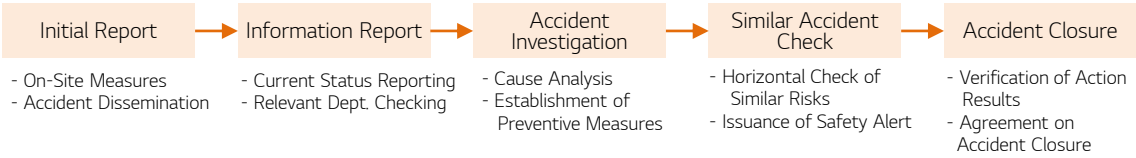
*TBM (Tool Box Meeting) : Risk Awareness Activities Before Work in the Workplace

High-Risk Work Category
- High Places work
- Fire-related work
- Electrical work
- Heavy equipment work
- Excavation work
- Hazardous substances work
- Confined space work

Accident Response System

In LG Magna, in the event of a safety and health accident, we immediately report the occurrence and implement on-site safety measures according to the accident response process. Following this, we conduct an investigation and establish preventive measures to avoid recurrence. To raise awareness among relevant employees, we prepare Safety Alerts and distribute them to related organizations both domestically and internationally. After implementing preventive measures, we conduct a reassessment according to the risk assessment procedure to ensure thorough management and prevent similar incidents from occurring.

Accident Response Process



Emergency Response Training

We regularly conduct emergency response training categorized by type to ensure a swift and systematic response to crisis situations related to safety and the environment, minimizing potential damage. In particular, for major accidents, we hold annual tabletop exercises involving the CEO and relevant executives based on our internal crisis management committee convening criteria.

	Training	Cycle
Emergency evacuation	Company-wide emergency evacuation drill	Annually
Serious Accident	Establishment of a crisis management committee	Annually
Joint training	Joint training with the Fire station	Annually
Safety and Health	Safety accidents, confined space rescue, infectious diseases	Quarterly
Environment	Natural disasters and chemical spills	Bianually
Facilities	UT supply interruption and power outage	Quarterly
Violation of regulations	Cooperation with government investigations	Annually
Fire	Initial actions for different types	Quarterly
First Aid	Emergency medical measures for patients	Bianually



[Training for convening the Serious Accident Crisis Management Committee]



[Emergency evacuation drill for employees]

Safety and Health Management Activities

Safety and Health Education

LG Magna places great value on the education sector, which is a core element of safety and health management. We operate a four-tiered training system consisting of legal education, specialized training, awareness enhancement training, and experiential training. Through this system, we aim to help employees cultivate a foundational understanding of safety and health, ultimately strengthening their knowledge and skills to prevent accidents and promote a culture of health improvement.

- 1 STEP (Legal)**
 - Elimination of compliance risks
 - Provision of basic safety/health information
- 2 STEP (Specialized)**
 - Opportunities for growth as safety experts in various fields
 - Roles as safety/health leaders in specific areas
- 3 STEP (Awareness Improve)**
 - Cultivation of a proper safety culture
 - Accident prevention through heightened safety awareness
- 4 STEP (Experiential)**
 - Enhancing the effectiveness of training through field-centered education

Operation of Safety Experience Training Center

We have innovatively transformed our training approach from traditional theory-based education to practical learning through hands-on experiences. Since 2021, we have been leading the establishment and operation of a safety experience training center, which is equipped with a total of 76 state-of-the-art safety training devices, including VR experiences and industrial robot experiences. As a result of these efforts, we became the first in Incheon to be recognized as a nationally certified training center by the Korea Occupational Safety and Health Agency. Based on this certification, we provide experiential training programs not only for our employees but also for various stakeholders, including partner companies, external businesses, and public institutions. Through these efforts and activities, we won the grand prize at the 2025 Safety Experience Training Center Best Practice Presentation Contest organized by the Ministry of Employment and Labor.

Safety Experience Training Center Courses
- New Hire Training
- Supervisor Training
- Regular Safety and Health Training
- Organizational Responsibility Training
- Laboratory Responsibility Training
- Office/Functional Staff Promotion Training
- Safety Training for Foreign Workers
- CPR Training
- LOTO* Specialized Training *LOTO(Lock-out Tag-out)
- Industrial Robot Safety Training
- Basic Fire Safety Training
- Basic Safety Training for Construction Workers
- Public Experience Training for External Participants



[Recognition of the Safety Experience Training Center by the KOSHA]



[Award for Excellent Case of the Safety Experience Training Center in 2025]



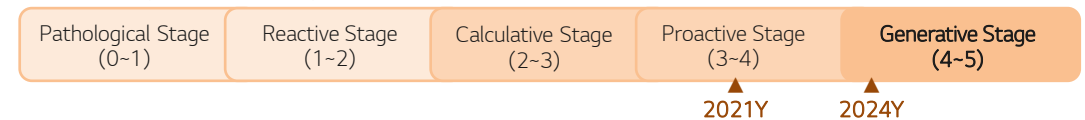
Safety Culture

LG Magna is actively implementing various activities to enhance the safety culture of its employees, effectively operating a self-discipline accident prevention system, and creating a safe working environment.

Safety Culture Assessment

An annual safety culture assessment is conducted to gauge the safety awareness level of employees. For any identified deficiencies, tasks are established for improvement. The initial assessment was outsourced to an external organization, and since 2022, a self-developed safety culture assessment tool reflecting the company's environment has been created, with assessment committee members being internally trained to internalize the assessment process. The assessment result for 2024 was measured at 4.1 points, indicating a mature stage according to the relevant model.

[Hudson's Safety Culture Maturity Model]



Operation of Safety and Health Day

To raise awareness of safety among on-site workers, the first Tuesday of every month is designated as "Safety and Health Day," overseen by the responsible executive. Themes are selected under the guidance of the responsible executive and supervisors to check for risk factors and implement improvements.

Safety and Health Campaign

An annual safety and health campaign aimed at accident prevention is organized with various themes, involving all employees.

Category	July	December ~ February
Theme	Safety Accident Prevention	Fire Accident Prevention
Activity	- Risk Improvement Contest - Special Thematic Training - Compliance Checks of Safety Rules	- Exhibition of Fire Accident Cases - Employee Participation Events - Special Fire Prevention Inspections

Employee Suggestion System and Reward/Punishment Operation

Employees are encouraged to identify potential risk factors and develop response measures through suggestion activities conducted via various online and offline channels. This is linked to a reward system to promote participation. Additionally, clear safety and health disciplinary standards are applied to prevent the recurrence of unsafe behaviors by employees.



Safety and Health Management Activities

Employee Health Management

LG Magna conducts regular health check-ups for its employees every year and analyzes the results to manage individuals with potential health issues and high-risk groups. The company operates a health management office and a fitness center to provide infrastructure for prompt emergency care and to promote employee health. Various health promotion programs, such as smoking cessation, metabolic syndrome management, and job stress management, are organized throughout the year in collaboration with relevant organizations based on the needs of the employees. Additionally, efforts are made to reduce musculoskeletal strain through improvements in processes that handle heavy materials, and to prevent exposure to harmful substances through workplace measurements. As a result of these efforts, LG Magna was selected as an "Excellent Workplace for Health Promotion Activities" by the Korea Occupational Safety and Health Agency in 2024.

Main Health Caring Program	Co-work
- Health Counseling for High-Risk Groups	Partner Hospitals
- Education on Prevention and Management of 4 Major High-Risk Diseases	Partner Hospitals
- Smoking Cessation Clinic	Incheon Seo-gu Health Center
- 10Week Weight Loss Program - Workplace Health Walking	-
- Metabolic Syndrome and Cardiovascular Disease Prevention Program	Partner Hospitals
- Mental Health and Well-Being Management Courses	Incheon Seo-gu Office
- LG Magna Fitness Champion Selection Contest	-

Safety Management for Partner Companies

For resident partner companies and construction partner companies, safety and health capabilities are assessed according to relevant laws and internal standards, and necessary support is actively provided. Furthermore, a cooperative system is established through various activities aimed at accident prevention. Regular safety practice resolution meetings are held with the participation of management to strengthen safety and health leadership for workers.



[Safety Practice Resolution Meeting with Partner Companies]

Key Safety Management Items for Partner Companies	Cycle
- Safety/Health Qualification Assessment	Annually
- Regular/Occasional Risk Assessments	Annually/As Needed
- Provision of Safety/Health Training	As Needed
- Regular Safety/Health Committee	Monthly
- Joint Safety Inspections	Quarterly
- Joint Safety Drills	Annually
- Accrual of Industrial Safety and Health Management Costs	Upon Contracting

Special News

Source: LG Electronics Newsroom, November 5, 2024

LG Magna Awarded the Presidential Prize at the 2024 Korea Safety Awards

LG Magna e-Powertrain (hereinafter referred to as LG Magna) has been recognized for its ability to create a top-level safety management workplace at the 23rd Korea Safety Awards, receiving the Presidential Prize.

The Korea Safety Awards, established in 2002 by the National Fire Agency and the Korea Safety Certification Agency, aims to enhance safety awareness among citizens and businesses and to encourage voluntary safety management. It is the most prestigious award in the field of safety management in South Korea.



LG Magna was highly evaluated for its strong safety awareness among all employees and the normalization of improvement activities for creating a safe environment. The overall management and monitoring systems for critical fire safety facilities and hazardous work areas were also excellent. This award signifies that LG Magna has been recognized for its efforts to establish a systematic and authentic safety culture in all its domestic and international business activities, based on the philosophy that "there is no value more important than the safety of employees."

In addition to complying with domestic and international safety regulations, LG Magna has established and operates its own standards that exceed legal requirements, striving to create a healthy and safe working environment. The company has implemented the "LG Magna Safety and Health Principles" to prevent hazardous behaviors that could lead to serious accidents, including ▲prohibiting the arbitrary deactivation of safety devices, ▲restricting unauthorized access to operating equipment such as conveyors, and ▲adhering to the three principles of ladder work.

LG Magna has established a Safety and Environment Office directly under the CEO and operates a safety committee to effectively prevent serious accidents. The company also creates emergency manuals based on various disaster scenarios and conducts crisis response drills. Additionally, continuous facility inspections are carried out to prevent accidents.

Thanks to this systematic management, LG Magna has not experienced a single serious accident since its inception.

CEO Won Suk Cheong stated, "We will engrain the principle that 'if it is not safe, we do not work' and continue to create a safety culture that everyone adheres to."

Social

Inside LG Magna
(Labor Human Rights/Talent Management)

LG Magna Upholds and Guarantees Employee Human Rights as a Core Value for Sustainable Development. And also regards the respect and protection of employee human rights as the most fundamental and essential value for its sustainable development. The company has established a global labor policy based on the LG Code of Ethics and fair management practices, and it strives to adhere to these principles.

Additionally, We continuously enhances the flexibility of its work methods and organizational operations to enable all members to respond swiftly to the rapidly changing business environment. The company offers various onboarding programs to maximize employees' expertise, and through this strategic human resource management, it aims for sustainable growth.

UN SDGs

- 5 Gender Equality
- 8 Responsible Consumption and Production
- 10 Reduced Inequalities
- 16 Peace, Justice and Strong Institutions

Key Achievements (~2025Y)

Establishment of A Global Labor Policy <small>* Incorporation of RBA Standards</small>	The Proportion of Women in Leadership Positions 4.0% (Compared to men <u>1.8%p</u> ↑) <small>* Based on Korea Office Position (2024)</small>
Average training hours per employee 63.9 hours <small>* Based on Korea Office Position (2024)</small>	Employee Satisfaction with Training Programs 4.5/5.0 <small>* Based on Korea Office Position (2024)</small>
CEO ↔ Employees Open comm. 4 times/year <small>* Since 2022</small>	Activities to strengthen Organizational Culture 15 activities (4areas) <small>* Based on Korea (2024)</small>

Short-term Goals (~2028Y)

Enhancement of labor human rights policy and dissemination to overseas subsidiary

- Incorporation of global trends and stakeholder needs
- Support for establishing labor human rights management systems in overseas operations

Strengthening activities for the protection of labor human rights

- 100% feedback on received grievance reports
- Improvement of labor human rights risk assessments based on RBA

Continuous improvement of the mandatory employment rate for people with disabilities

- Participation in consulting with the Ministry of Employment and Labor and expansion of employment channels for people with disabilities

Increase in average training hours : 52,000 hrs/year (65 hrs/employee)

- Redefinition and operation of the company-wide technical training system

100% execution rate of organizational culture program plans

Mid- to Long- term Goals (2029Y~)

Strengthening the prevention system for labor human rights risks in the supply chain

Zero non-compliance in RBA Labor risk assessments

Expansion of employment diversity

- Increased hiring of people with disabilities, age diversity in the workforce, and a higher proportion of female managers

Employee training satisfaction increased to 4.7

Improvement in employee satisfaction through organizational culture enhancement activities (as measured in the LG Way Survey)

Labor and Human Rights Management System

Human Rights Respect Strategy

LG Magna practices human rights management with a core focus on the protection of human rights, adhering to international norms such as the UN Global Compact, the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and ILO conventions. The Global Human Rights and Labor Policy established in 2025 guarantees humane treatment, prohibits discrimination, forced labor, and child labor, and ensures freedom of association. This policy applies not only to employees but also to all stakeholders. In particular, through the Code of Conduct for suppliers based on the RBA Code of Conduct, we aim to protect the rights of workers in our supply chain and plan to expand the scope of policy application in the future.

LG Magna Global Labor Policy

Article 1 Respect for Human Dignity/ Fair Treatment/ Non-Harassment	LG Magna treats each employee with respect, and places a high value on individual human dignity. The company shall take active steps to prevent physical and/or emotional mistreatment of employees. Any harsh and inhumane treatment, including any violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, verbal abuse, bullying, or public shaming shall result in disciplinary action.
Article 2 Prohibition of Forced Labor	LG Magna shall not allow any form of forced labor that is against the free will of employees by unfairly restricting their mental or physical freedom, such as threat, coercion, imprisonment, human trafficking, and slave labor.
Article 3 Prohibition of Child Labor	LG Magna shall abide by the local labor laws with respect to minimum age of employment and shall strictly verify the age of all workers at the point of hire. Any legal violations of child labor shall not be tolerated.
Article 4 Working Hours	LG Magna shall comply with the local labor laws with respect to working hours, including regular and overtime hours, and holidays.
Article 5 Wages and Benefits	LG Magna shall offer wages that are higher than the minimum in accordance with the local law with wage statement. Compensation for overtime at pay rates shall be greater than regular hourly rates.
Article 6 Freedom of Association and Collective Bargaining	Open communication and direct engagement between workers and management are essential for sound organizational culture. LGM shall provide sufficient opportunities for employees to communicate with management without fear.
Article 7 Compliance of Regulations	LGM shall follow the labor laws and standards of each country and region where it operates, and shall not provide any conditions of employment which fail to meet such standards.

Identification of Human Rights Risks through ESG Self-Assessment

LG Magna conducted its first internal self-assessment in 2024 to identify the status and preemptively recognize risks in key ESG areas. Based on the RBA Code of Conduct 8.0, we developed our own checklist, which enabled us to identify items that require medium- to long-term improvement in the area of labor human rights. In the labor human rights sector, we identified zero major findings and four recommendations for improvement, one of which has already been addressed. We plan to conduct a second self-assessment in the second half of 2025 to review the results of our follow-up actions and intend to expand this initiative to overseas operations and key partner companies.

Overview of LG Magna's 2024 ESG Self-Assessment

Method	Self-Assessment Based on RBA Code of Conduct 8.0 Using a Custom Checklist Tool (Total of 157 Items)
Target	Departments Involved in the ESG Committee at Incheon Headquater
Result	1) Major Findings : 0 2) Non-Critical Recommendations for Improvement : 12 (Environmental / Safety and Health / Labor Human Rights / Ethics / Supply Chain)

Areas	Category	Mid- Long term Improvement Items
Labor Human Rights	Management Policy	<ul style="list-style-type: none"> Establishment of long-term goals for acquiring international certification systems in labor human rights.
	Child Labor	<ul style="list-style-type: none"> Completion of the internal human rights policy.
	Forced Labor	<ul style="list-style-type: none"> Development of internal policies for verifying worker age during the recruitment process. Establishment of monitoring procedures for forced labor within the supply chain.
Supply Chain	Policy	<ul style="list-style-type: none"> Development of policies related to raw material supply.
	Raw material Supply Chain	<ul style="list-style-type: none"> Establishment of monitoring processes related to raw material supply.
	Suppliers CoC	<ul style="list-style-type: none"> Need for improvement in the content of the supplier code of conduct.
Ethics	Management	<ul style="list-style-type: none"> Establishment of long-term goals for acquiring international certification systems in corporate ethics.
	Policy	<ul style="list-style-type: none"> Need for improvement in the content of the internal code of conduct.
Environmental	Waste	<ul style="list-style-type: none"> Establishment of specific reduction targets related to hazardous and solid waste.
	Policy	<ul style="list-style-type: none"> Need for improvement in the environmental policy.
Safety/Health	Policy	<ul style="list-style-type: none"> Need for improvement in the safety and health policy.



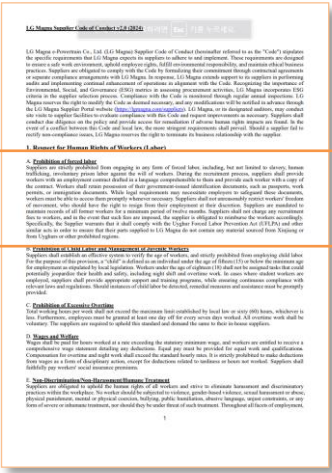
Labor and Human Rights Management System

Forced Labor

LG Magna strictly prohibits forced labor, which is particularly emphasized in our Global Human Rights and Labor Policy established based on ILO conventions and the RBA Code of Conduct. Forced labor is a significant violation of fundamental human rights and is considered a serious legal infraction in many countries, with some implementing stringent sanctions that ban the import of related products. As international regulations regarding the use of raw materials sourced from regions with forced labor have intensified, it has become essential for the automotive parts industry to establish robust monitoring systems to oversee the presence of such raw materials within the supply chain. Our commitment to ethical practices ensures that we actively work to eliminate forced labor from our operations and supply chain, safeguarding human rights and promoting responsible sourcing.

Identification of Forced Labor Risks through Compliance Management Systems

To proactively prevent regulatory violation risks that could pose significant threats to our business operations, we have identified 75 key compliance risk items, among which "working hours" related to forced labor is included. This allows us to implement more proactive and specific preventive measures. Additionally, we have explicitly stated the prohibition of forced labor in the code of conduct that our partner companies must adhere to in order to maintain business relationships. We continuously monitor the supply chain to ensure that forced labor does not occur. This commitment reinforces our dedication to ethical practices and compliance within our operations and partnerships.



A. Prohibition of forced labor

Suppliers are strictly prohibited from engaging in any form of forced labor, including, but not limited to slavery, human trafficking, involuntary prison labor against the will of workers. During the recruitment process, suppliers shall provide workers with an employment contract drafted in a language comprehensible to them and provide each worker with a copy of the contract. Workers shall retain possession of their government-issued identification documents, such as passports, work permits, or immigration documents. While legal requirements may necessitate employers to safeguard these documents, workers must be able to access them promptly whenever necessary. Suppliers shall not unreasonably restrict workers' freedom of movement, who should have the right to resign from their employment at their discretion. Suppliers are mandated to maintain records of all former workers for a minimum period of twelve months. Suppliers shall not charge any recruitment fees to workers, and in the event that such fees are imposed, the supplier is obligated to reimburse the workers accordingly. Specifically, the Supplier warrants that it shall comply with the Uyghur Forced Labor Prevention Act (UFLPA) and other similar acts in order to ensure that their parts supplied to LG Magna do not contain any material sourced from Xinjiang or from Uyghurs or other prohibited regions.

Workplace Sexual Harassment and Bullying

LG Magna is committed to eradicating workplace harassment and bullying through various initiatives. We conduct annual training for all employees on the prevention of harassment and bullying to raise awareness. To further strengthen this effort, starting in 2025, we will be publishing a newsletter dedicated to these topics. When reports of harassment or bullying are received, we respond swiftly and fairly through a reporting procedure, ensuring that all investigations are conducted anonymously. Each report undergoes a rigorous verification process, and if the facts are confirmed, appropriate personnel actions are taken in accordance with the company's disciplinary regulations. To protect victims, we may separate the affected employee from their department or team, and we provide psychological counseling and treatment services to support their recovery. Through this systematic approach, we strive to create a safe and respectful workplace culture.

[Reporting Process for Harassment and Bullying]



Grievance Handling Channels

We have established a system to allow employees to report and resolve various issues or grievances they encounter in the workplace. To ensure that concerns are discussed within the organization, we conduct a 1:1 Caring procedure, where employees have the opportunity to formally discuss their grievances with organizational leaders twice a year. If discussions need to occur outside the organization, we can present the issues at official councils for further deliberation.

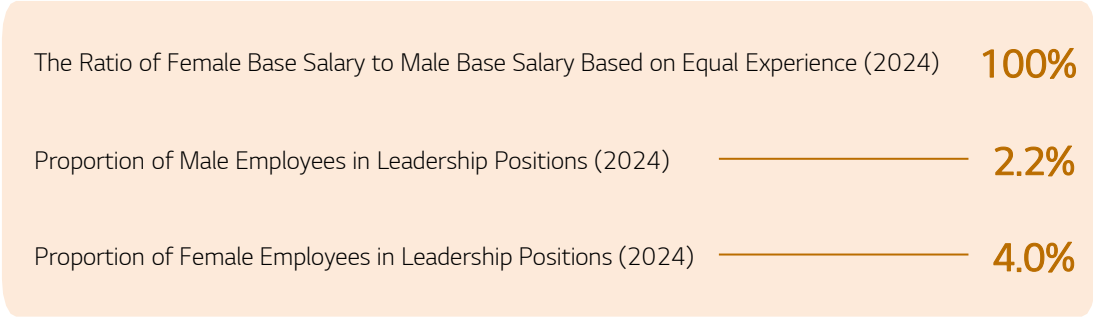
For matters requiring 100% anonymity, employees can report through the LG Group's ethical management site, and we have established a principle to provide 100% feedback on all reports. Through this system, we listen to and address the diverse grievances of our employees, working towards fostering a healthy and happy workplace culture.

Labor and Human Rights Management System

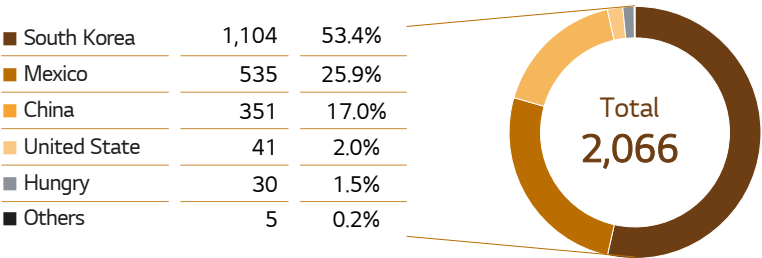
Respect for Diversity

At LG Magna, we foster a culture that values each individual's unique experiences and backgrounds. We create an environment where employees can think freely, develop deep insights, and maximize their personal abilities. The company actively supports the individual preferences and choices of its members, ensuring that all forms of discrimination are excluded. Within this organization, every individual is recognized and respected for their distinct characteristics, allowing them to maintain their authenticity while working. We places a high value on diversity and inclusion, encouraging members to contribute innovative ideas through various perspectives. This collaborative approach enhances the overall creativity and innovative outcomes of the entire team.

Gender Diversity



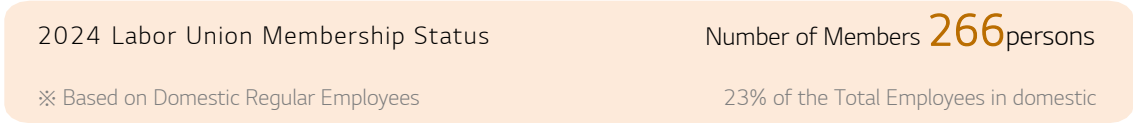
Country Diversity (Unit : person, %)



*Based on Global 2024

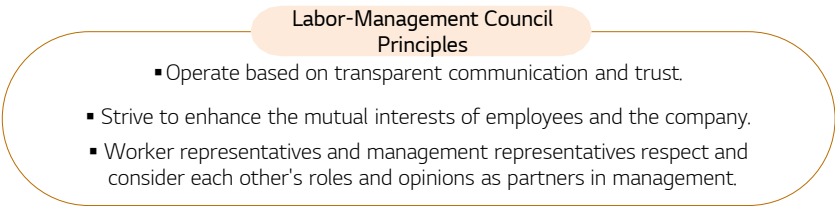
Labor-Management Relations Practice

LG Magna operates various communication channels to create shared value based on trust and respect between management and employees. Through these channels, we discuss key labor-management issues and hold labor-management meetings to enhance employee participation and collaboration. Additionally, we have established a Junior Board as a representative body for office staff to facilitate communication between management and employees. The concept of "Labor-Management Relations" unique to LG signifies the collaborative creation of value by both workers and management. LG Magna recognizes workers and labor unions as important partners and builds a cooperative organizational culture based on mutual trust, practicing a community-oriented labor-management relationship.



Labor-Management Council

In accordance with legal regulations, we define and implement necessary matters regarding the organization and operation of the Labor-Management Council. The council is composed of representatives elected directly by the workers and representatives of the employer. The established organization conducts quarterly labor-management meetings, contributing to the improvement of employee welfare and the development of the company through participation and collaboration.



Happiness Recharge Committee

To enhance the welfare and satisfaction of our members, we operate a committee focused on discussing Voice of Employee (VOE) issues every quarter. This committee includes representatives of the members and leaders responsible for employee welfare-related organizations. VOE allows all employees to submit their concerns through a defined process, and solutions are reached through discussions within the committee. All discussion outcomes are transparently disclosed.



Talent Management System

Talent Management Strategy

LG Magna is continuously enhancing the flexibility of its work methods and organizational operations to adapt to the changing business environment. We operate various talent development programs to enable employees to maximize their expertise. Through these efforts, LG Magna aims to strengthen a culture centered on talent growth and achieve sustainable growth through strategic management of human resources.

HR Management and Organizational Culture Based on LG Way

We operate a systematic HR framework based on performance, grounded in the management philosophy of LG Way. We emphasize a culture where members set challenging goals for themselves and strive for continuous performance improvement. Additionally, we focus on fairly evaluating both short-term and long-term performance and competencies of our members, providing appropriate rewards that correspond to their contributions.

Fair and Transparent Assessment/Compensation System	Talent Development and Innovative Promotion System	Advanced Welfare System for Work-Life Balance	Creation of a Family-friendly Work Environment	Diversity and Inclusiveness among members
Establish a link between performance and compensation	Operate a three-tiered job classification system based on roles, capabilities, and performance to foster a horizontal and creative organizational culture	Respect the autonomy and decision-making authority of our members and implement systems to support work-life balance	Provide family-friendly policies that exceed legal standards to support the harmony between work and family life	Respect the diversity of our members and are committed to building an inclusive organizational culture free from discrimination and harassment
<ul style="list-style-type: none"> On-going Performance Management Multi-Dimensional Feedback System Assessment Grade Review Committee Grievance Procedure 	<ul style="list-style-type: none"> Promotion Selection System Development programs for talent cultivation Protection measures against disadvantages in promotions for maternity protection candidates 	<ul style="list-style-type: none"> Flexible work system Remote work system Summer vacation and recommended leave 	<ul style="list-style-type: none"> Expansion of parental and maternity leave Reduced working hours during childcare periods In-house childcare facilities Maternity protection systems tailored to different life stages 	<ul style="list-style-type: none"> Discrimination and Harassment Prevention Policies

Fair and Transparent Assessment and Compensation System

We support the mutual growth of individuals and the organization through a transparent and fair performance management system based on results. At the beginning of each year, individual goals are set, and throughout the year, performance is systematically managed through one-on-one meetings and ongoing feedback between leaders and team members. This process provides members with opportunities to discuss performance and growth, contributing to the formation of a trust-based organizational culture.

Additionally, we operate an assessment grading committee, chaired by the responsible executive, which includes organizational leaders and the HR department to ensure fair assessments. Members are guaranteed the right to challenge assessment results and request discussions for reconsideration. LG Magna will continuously enhance this performance management system to further strengthen a culture of fair performance assessment.

Goal Setting and Ongoing Management

Leaders establish organizational goals and share them with team members, supporting them in aligning their personal goals with the organization’s objectives. This not only increases the importance and understanding of their work but also ensures that the organization’s performance translates into individual achievements. Team members regularly check their progress toward goal attainment through scheduled and ad-hoc meetings, exchanging feedback and receiving continuous support for performance improvement.

Members engage in one-on-one meetings in the first and second halves of the year, as well as ongoing discussions, to monitor their progress toward goals and exchange feedback, facilitating performance enhancement and support.

Multidimensional Assessment and Feedback

Year-end assessments are conducted in a multidimensional manner to ensure objectivity and diverse perspectives. In addition to leader assessments, we comprehensively incorporate the following feedback :

- 360-Degree Feedback : For leadership-level members, feedback on leadership competencies is collected annually from various stakeholders, including supervisors, peers, and subordinates.
- Peer Feedback : General members can optionally provide feedback to each other, exchanging advice on collaboration methods and competency development.

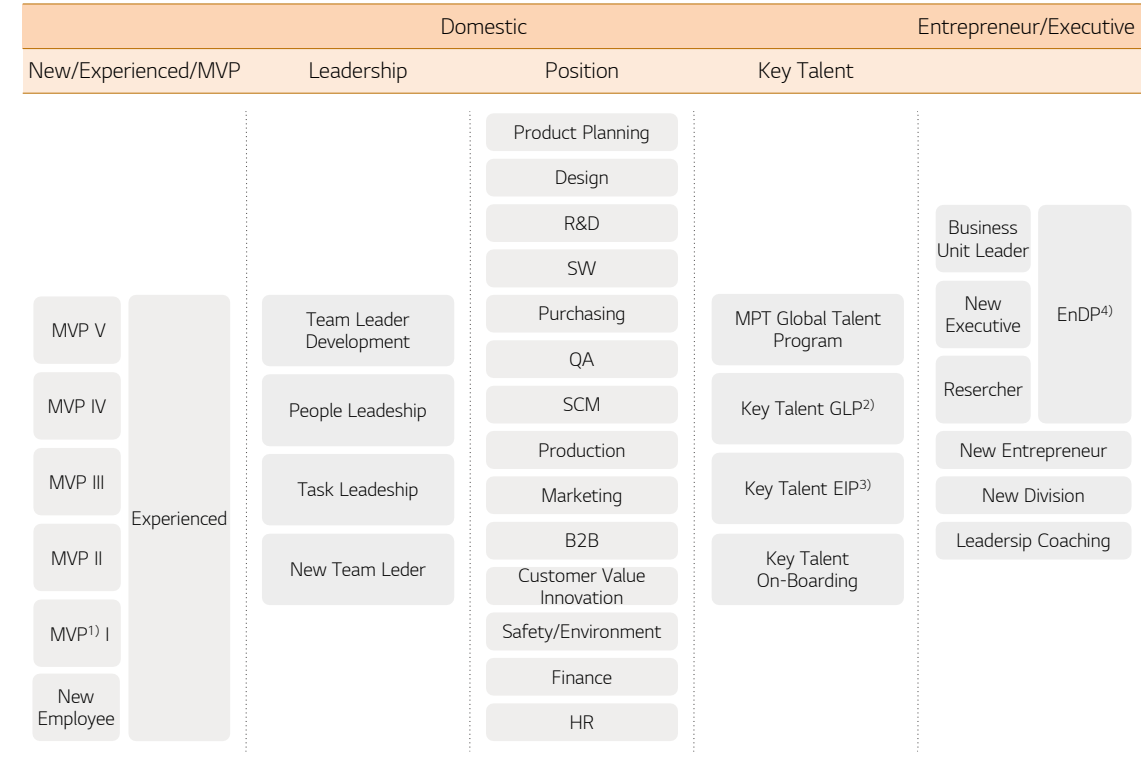
Key Assessment Targets and Schedule for 2024

구분	평가 대상	일정
Performance Assessment	All Employees	Annually (October~November)
Job Competency Assessment		
Leadership Assessment	Leaders	Annually (September)
Peer Assessment	All Employees (Not included leaders)	Annually (September)

Talent Management System

Talent Development System

LG Magna is committed to leading organizational innovation and change while focusing on cultivating global leaders. We segment training areas based on the positions and roles of employees, providing customized training programs tailored to the learners' levels. By systematically developing key talents, we ensure that suitable individuals are placed in the right positions at the right time. Additionally, we operate various leadership development programs for team leaders to executives, enabling them to drive organizational change and foster the growth of team members.



1) MVP: My Vision Planning
 2) GLP: Global Leadership Pool
 3) EIP: Early Identified Pool
 4) EnDP: Entrepreneur Development Program

Program	Contents
Leadership	New Team Leader, Task/People Leadership Development
Job Competency Training	Job College : Value Chain Perspective
Tiered Training	New Employee Onboarding, Annual Vision Training

Strengthening Leadership

LG Magna operates a core talent program that selects individuals with high potential to grow as business leaders and experts in their respective fields, developing the necessary competencies and skills. This program is designed with a long-term perspective, providing excellent content in the areas of Business Skills and Leadership Skills tailored to individual development plans. Participants have expressed that the program allowed them to experience the challenges faced by leaders and to clearly assess their own development direction. They also noted that it significantly helped them acquire the competencies needed as leaders, such as perspectives on the world and ways to recognize trends.

- Business Skill : Project Managing / Biz-Strategy / Problem Solving
- Leadership Skill : People Understanding / Communication / Coaching

Enhancing New Employee Onboarding

In response to the increase in new graduates and experienced hires, we have implemented an onboarding program focused on preparation, exploration, and learning. Starting in 2023, we provide timely information necessary for company life and offer a mission-based onboarding program that encourages self-exploration. This program is designed to facilitate a soft landing at key stages of entry by concentrating on positive experiences, networking opportunities, and growth experiences within the organization. Additionally, it emphasizes enhancing understanding of the company and strengthening a sense of belonging through learning about the business, strategy, organization, and systems.

Operating a 1:1 Caring Program

We have established standard career development maps for entrepreneurs, function leaders, and expert tracks, and we create C-D-P plans tailored to the roles individuals aspire to. Each February, we set goals that require individuals to outline their career development requests, which are then supported through agreements with their leaders. Progress is reviewed biannually with leaders to ensure alignment and support.

2024 Training and Development Metrics

※ Based on Korea Office Position

Training Cost per Employee

1.7M WON

Employee Satisfaction

4.5 Score

Talent Management System

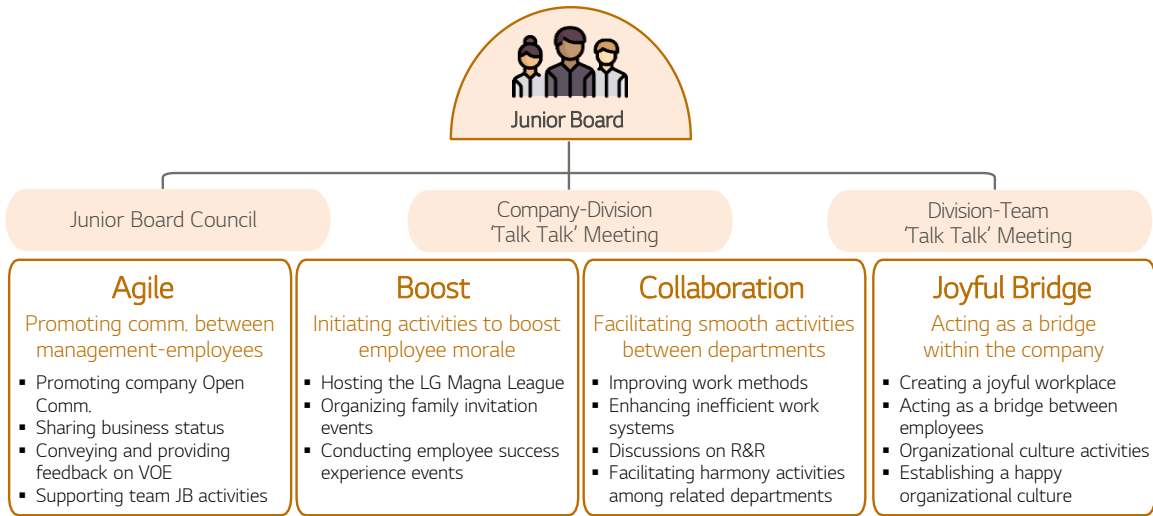
Communication-based Organizational Culture

At LG Magna, we are committed to enhancing internal communication and effectively incorporating employees' voices into management by operating a company-wide Communication Junior Board. This Junior Board allows employees from various ranks and roles to voluntarily participate, propose ideas on organizational operations, and directly share these with the management, serving as a communication channel. Through this process, we integrate employees' experiences and insights into management, thereby promoting a participatory organizational culture based on trust and empathy.

Each department's Junior Board systematically collects and conveys opinions through interconnected activities, establishing a communication structure based on employee participation. Additionally, we run various internal and external programs that encourage voluntary participation from employees in activities beyond their job roles. These efforts aim to strengthen the organization's social responsibility and promote employee engagement.

Junior Board, Joyful Bridge System and Roles

The Junior Board at LG Magna, which serves as a bridge between management and employees, will be redefined in 2024 under the new concept of "Joyful Bridge." This initiative aims to enhance communication and collaboration between management and employees through agile interactions, thereby boosting employee morale. The Junior Board operates various programs that encourage voluntary participation from employees, both in their job roles and in extracurricular activities. It plays a crucial role in strengthening the organization's social responsibility and fostering a participatory organizational culture where employees can actively engage.



Agile : Promoting Communication Between Management and Employees

To enhance communication between management and employees and to increase management transparency, we regularly operate CEO open communication sessions. Through these sessions, we actively gather and incorporate organizational feedback. Management shares key business performance and strategic directions, and transparency is heightened through open Q&A sessions. This communication structure helps recognize employees as partners in management, supports rational decision-making, increases trust and participation across the organization, and fosters a corporate culture that promotes engagement and collaboration.

Boost : Initiating activities to boost employee morale

We operate various activity programs to boost employee morale and foster a sense of achievement. By hosting events such as the LG Magna League, family invitation events, and employee success experience events, we contribute to enhancing the vitality and enthusiasm of our employees.

Collaboration: Promoting Smooth Activities Between Department

Employees are more likely to work joyfully and exhibit higher creativity when they are self-motivated. This voluntary motivation can be fostered through praise and encouragement among colleagues from various related departments. LG Magna promotes a culture of praise and encouragement through programs like the praise and encouragement relay, 'Praise Whale,' and harmony activities.

Joyful Bridge: Acting as a Bridge Within the Company

We strive to create a joyful and vibrant workplace by acting as a bridge between employees within the company. Through the aforementioned various collaboration, morale-boosting, and praise activities, we ultimately aim to establish an organizational culture where both management and employees can participate and find happiness together.



Social

Outside LG Magna (Supply Chain/Customers/Social Contribution)

LG Magna establishes its procurement strategy based on fair trade and mutual cooperation to minimize supply chain risks and ensure regulatory compliance. We report supply chain-related issues to the board of directors and manage operational efficiency through swift decision-making.

Additionally, we continuously develop differentiated service innovation capabilities by function and lead a quality management culture with the goal of providing the world's highest quality products. Furthermore, as a global company, we support individuals with dreams and help marginalized neighbors to create a better society. We are committed to fulfilling our social responsibilities based on ESG (Environmental, Social, and Governance) management by continuously engaging in activities that contribute to the welfare and development of local communities.

UN SDGs

12 Responsible Consumption and Production

17 Partnerships for the Goals

Key Achievements (~2025Y)

Verification of
New Partner Companies

43companies

* Based on Korea (2024)

Regular Assessment of
Partner Companies

24companies

* Based on Korea (2024)

Key Customer Quality Satisfaction Index

Green

* Based on Korea (2024)
(GM Sourceability)

Avg 91 score

* Based on Korea (2024~)

No. of Social Contribution
Programs Operated

6programs

* Based on Korea (2024)

Employee Social Contribution
Volunteer Hours

537hours

* Based on Korea (2024)

Short-term Goals (~2028Y)

Implementation rate of ESG risk self-assessment by major partner companies over 80%

Acquisition and maintenance of global quality management system certification (IATF 16949) for all subsidiaries

Expansion of community practice network and establishment of a long-term social contribution roadmap

Mid- to Long- term Goals (2029Y~)

100% ESG risk assessment and improvement for high-risk partner companies

Achievement of All Green in the global quality management system customer satisfaction index

Active participation of executives in social contribution activities and expansion of resource investment

Supply Chain Management System

Partner Companies Management Policy

LG Magna is establishing processes and systems that adhere to fundamentals and principles to minimize supply chain risks and ensure regulatory compliance. Through this approach, we develop procurement strategies based on fair transactions and mutual cooperation across the entire value chain. We enhance procurement competitiveness and manage operational efficiency by strengthening the execution of key tasks. When necessary, we report supply chain-related issues, plans, and performance to the board of directors, and for critical matters, we make swift decisions to minimize supply chain risks.

[Main Supply Chain Management Policies]	
Category	Contents
Quality and Environmental Compliance Guidelines	LG Magna has established and distributed detailed guidelines for suppliers to meet essential quality assurance and environmental regulatory compliance requirements in the automotive industry. We fundamentally require adherence to international standards and specifications such as ISO 9001, IATF 16949, and ISO 14001. Additionally, these guidelines include management procedures to ensure quality and environmental compliance in project management, product development and testing, production continuity, logistics, and delivery.
Supplier Code of Conduct	LG Magna has developed and distributed a code of conduct and guidelines for suppliers to establish safe working environments, respect employee rights, fulfill environmental responsibilities, and operate ethically. The Supplier code of conduct is based on the RBA Code of Conduct and includes principles for creating an ethical and transparent management environment, fulfilling corporate social responsibilities, managing and preventing risks, and building mutually beneficial cooperative relationships.
Partner Company Verification/Assessment Criteria	LG Magna selects partner companies through fair and transparent criteria and procedures and conducts regular assessments. New partner companies must meet assessment criteria for technology, quality, responsiveness, and cost, as well as ESG aspects of management such as labor rights, health and safety, and environmental management. Companies that do not meet these requirements are excluded from transactions.
Conflict Minerals Management Regulations	As a responsible company that respects human rights and the environment, LG Magna is concerned about human rights violations related to minerals mined, traded, processed, and exported from the Democratic Republic of Congo and neighboring countries. We adhere to the principle of not using tin, tantalum, tungsten, and gold that could benefit or financially support armed groups in these regions. Accordingly, we require proof of origin and related information and manage transactions to avoid dealing with smelters subject to international sanctions.

Supplier Code of Conduct

LG Magna has established and operates a Supplier code of conduct based on the RBA Code of Conduct, continuously revising it to reflect international standards and updates to the RBA Code of Conduct. This code is transparently disclosed on the LG Magna website and the Supplier portal, and it is also specified in suppliers contracts. The supplier code of conduct stipulates the fundamental principles that all suppliers must adhere to, including ethics, environment, labor and human rights, health and safety, and management systems. All suppliers that have contracts with LG Magna must comply with this code of conduct and are responsible for ensuring its application throughout the entire supply chain (including trading partners and subcontractors). To this end, suppliers must perform procedures such as supply chain audits, employee training, internal or external audits, implementation of corrective actions, tracking and reporting compliance with contract conditions, and require adherence to the code of conduct from their subcontractors, continuously monitoring their compliance. If a supplier refuses to improve non-compliance issues, LG Magna may terminate transactions with that company. Additionally, suppliers must consider this code of conduct in their management decision-making and business operations and actively cooperate with LG Magna's assessments and audits.

Respect for Human Rights of Workers	Safe Working Environment (Health & Safety)	Environment-friendly Workplace Management	Ethics	Management system
<ul style="list-style-type: none"> Prohibition of Forced labor Prohibition of Child Labor Prohibition of Excessive Overtime Wages and Welfare Humane Treatment Non-Discrimination Freedom of Association and Collective Bargaining 	<ul style="list-style-type: none"> Occupational Safety Emergency Preparedness Occupational Injury and Illness Industrial Hygiene Physically Demanding Work Machine Safeguarding Cafeteria/Dormitory Management Health and Safety Communication 	<ul style="list-style-type: none"> Environmental Permits and Reporting Pollution Prevention and Resource Conservation Hazardous Substance Solid Waste Air Emissions Compliance with Regulations regarding Hazardous Substances in Products and Processes Water Resource Management Energy Consumption and GHG Emission Biodiversity and Forest Logging Management 	<ul style="list-style-type: none"> Compliance with "Jeong-Do" (Anti-Corruption) Information Disclosure Protection of Intellectual Property Right Fair Trade, Advertising and Competition Identity Protection and Non-Retaliatio Personal Information Protection Adherence to International Trade Regulation Responsible management of minerals and raw materials (Responsible sourcing) 	<ul style="list-style-type: none"> Declaration of Commitment for Compliance and Responsibility Respond to External Requirements Risk Assessment and Management Objective Establishment and Management Training and Communicatio Worker/Stakeholder Engagement and Access to Remed Documentation and Record Suppliers' Responsibilities

Supply Chain Risk Management

Selection and Assessment of Partner Companies

LG Magna selects partner companies through a fair and transparent process and conducts regular assessments. When registering new partner companies, they are only registered if they meet our assessment criteria. Priority is given to verifying compliance with the Partner Code of Conduct and international trade regulations. Subsequently, a comprehensive assessment of new partner companies is conducted based on TQRDCME* criteria, which include technology, quality, overall management, compliance, and environmental management. Some detailed assessment items reflect the characteristics of parts by product group, and the M (Management) item applies weighting based on compliance with social responsibility requirements. Selected partner companies, upon registration as a trading partner, are required to review and faithfully implement the basic trading contract, confidentiality agreement, commitment to ethical management, agreement to comply with the Partner Code of Conduct, and commitment to comply with international trade regulations.

* TQRDCME : Technology, Quality, Responsiveness, Delivery, Cost, Management, Environment

Regular Assessment of Partner Companies

To maintain stable partnerships and prevent risks among partner companies, we conduct regular evaluations every year for partner companies that meet our criteria. These evaluations aim to ensure the competitiveness of our partner companies and support their growth. The evaluation process involves various departments, including purchasing, quality, development, materials, and safety/environment.

Target	Partner Companies Supplying Mass Production Parts to LG Magna
Criteria	Partner companies with an annual transaction amount of over 1 billion WON
Frequency	연 1회
Method	- Utilization of a checklist based on TQRDCM - On-site evaluations of partner companies
Rating Grade	S, A, B, C, D, E, F (7 Grade)
Result Reflection	- Outstanding : Given priority in project negotiations and participation. - Underperforming : Restricted from participating in bids for a certain period.

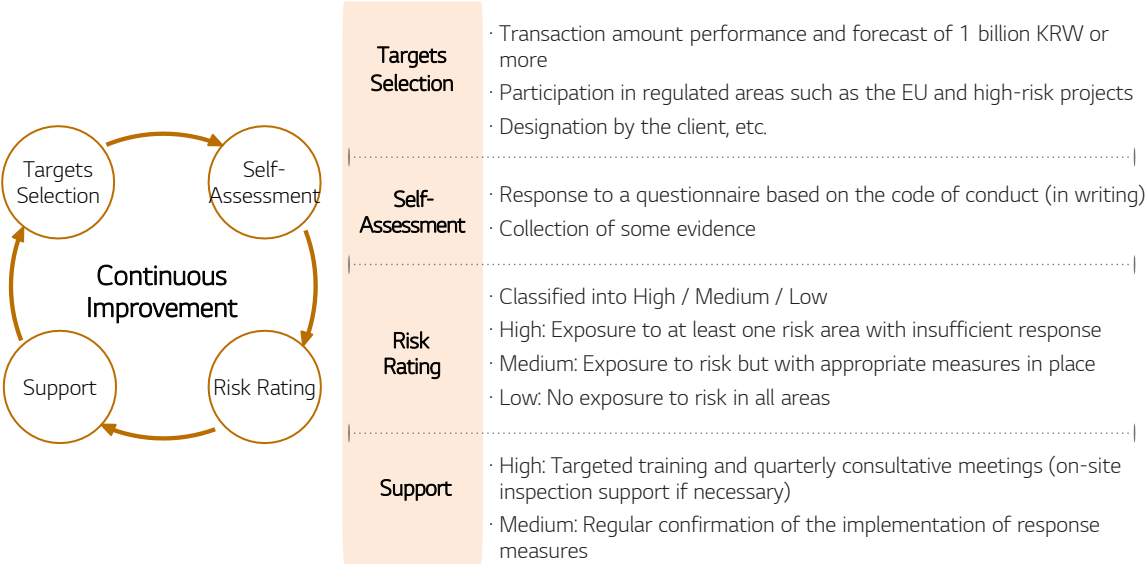
Collaboration with Customer Supply Chain Policies

LG Magna incorporates additional customer supply chain requirements, beyond its own supply chain policies and standards, into the partner selection process. This procedure is included in the partner selection and contracting process. As a result, the technical, social, and environmental requirements desired by the customer are reviewed in advance, ensuring that suitable partners are selected for business relationships.

Partner Company ESG Risk Assessment System

With the regulation of ESG responsibilities, monitoring, and improvement actions in the supply chain, such as the EU Supply Chain Due Diligence Law, LG Magna identifies key partners based on their exposure to ESG risks. For these key partners, LG Magna plans to implement a management system that addresses various ESG risks not covered by the existing evaluation framework.

[Partner Company ESG Risk Assessment Process]

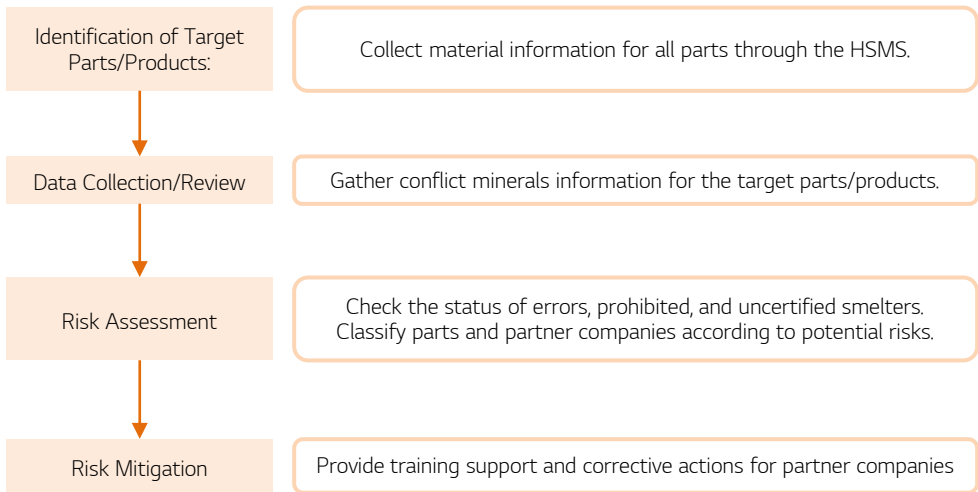


Conflict Minerals

LG Magna adheres to its own management standards to operate the requirements and processes of the conflict minerals management system. The conflict minerals management standards apply not only to all products developed, produced, sold, and supplied by LG Magna but also to products and raw materials developed, produced, and custom-made by its partners. These standards are regularly reviewed and revised. Additionally, if raw materials supplied by partners contain conflict minerals, due diligence is conducted in accordance with OECD Guidance. This policy is included in the code of conduct for partners and is also specified in contracts.

Conflict Minerals Management Procedure

To avoid the use of unethical resources such as conflict minerals (tantalum, tungsten, tin, gold), inspections and audits of partners and raw materials are conducted, and the risk levels are regularly assessed. Information on partners using conflict minerals is obtained using RMI's RMAP audit results, RCOI (Reasonable Country of Origin Sourcing Information), and other publicly available data. The origin of conflict minerals is verified through the Hazardous Substances Management System and the Conflict Minerals Management System (CMMS). Through audits, major risk factors are identified, and appropriate measures are taken if a partner is identified as high-risk. Furthermore, all smelters within the supply chain are required to obtain certification for responsible mineral use, and continuous communication is maintained with partners and partner companies to encourage participation in the smelter certification system.



CMRT (Conflict Minerals Management Report)

CMRT (Conflict Minerals Management Report) LG Magna issues the CMRT twice a year. This report is a standardized form developed by the RMI to facilitate the smooth communication of information regarding the origin and smelters of conflict minerals throughout the supply chain. Using this form, data on minerals such as tin, tantalum, tungsten, and gold (also known as 3TG) are collected from partner companies and reported to external parties, including customers. This ensures that these minerals are responsibly sourced and do not contribute to conflicts, particularly in regions like the Democratic Republic of Congo and surrounding areas.

Category	Contents
Frequency	Biannual
Reporting Targets	Customer Companies / Others Stakeholders
Reporting Channel	Internal Conflict Minerals Management System
Reporting Contents	<ol style="list-style-type: none"> Supply Chain Information <ul style="list-style-type: none"> Conflict Mineral Usage by Each Supplier Mineral Information <ul style="list-style-type: none"> Types of minerals used (3TG, etc.) Source of minerals (Mines, Smelters, etc.) Smelter and Refinery Information <ul style="list-style-type: none"> Location of smelters and refineries used Certification status (e.g., RMAP certification) Policies and Supply Chain Due Diligence Results

[illegible]

EMRT (Extended Minerals Management Report)

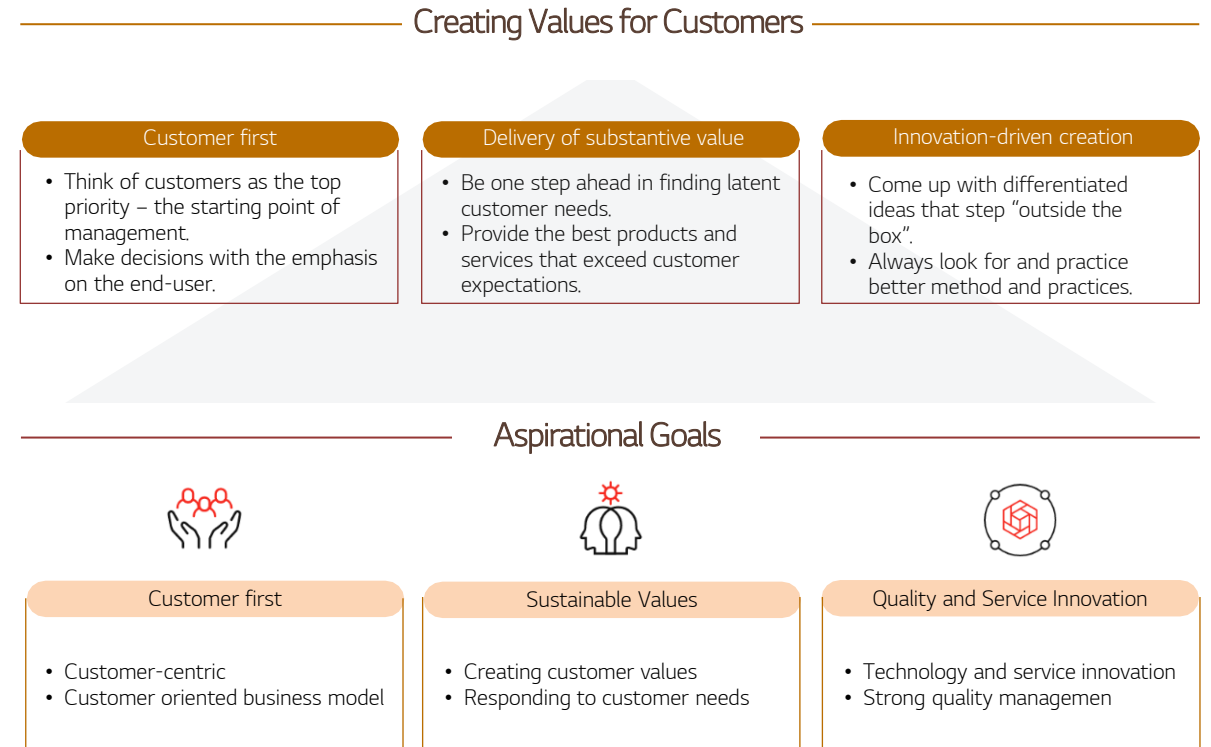
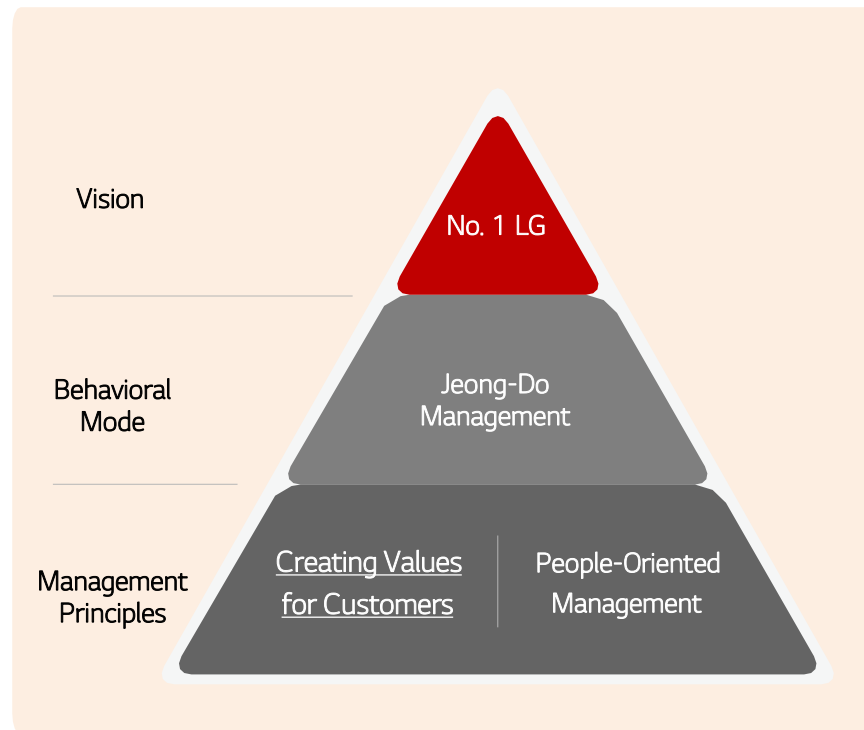
EMRT (Extended Minerals Management Report) Similar to the CMRT, the EMRT is a standardized form developed by the RMI. It is used for the responsible sourcing of minerals like cobalt and mica, which have similar unethical risks as conflict minerals. LG Magna prepares and reports the EMRT upon request from customers for specific minerals.

Customer Value Management

Customer-Centric Management

LG Magna operates based on the LG Group's management philosophy, known as the LG Way. The LG Way is a unique management philosophy that provides guidelines for the thoughts and actions that all LG employees must adhere to and practice. By implementing LG's management principles of 'Creating Value for Customers' and 'Respect-Based Management' through the practice of 'Jeong-Do Management' (the right way), LG aims to ultimately achieve its vision of becoming 'First-Class LG.' This management philosophy is reflected in all of LG Magna's business activities, contributing to providing the highest value to customers and fostering a culture where all employees are respected.

In line with this, LG Magna continuously strives to enrich the lives of customers by creating customer value. Providing continuous value to customers is the core of business competitiveness and the top priority that must be maintained under any circumstances. To achieve this goal, LG Magna offers innovative products and services, aiming to deliver experiences that exceed customer expectations. Through its customer-centric management strategy, LG Magna seeks to strengthen trust with customers and achieve sustainable growth.

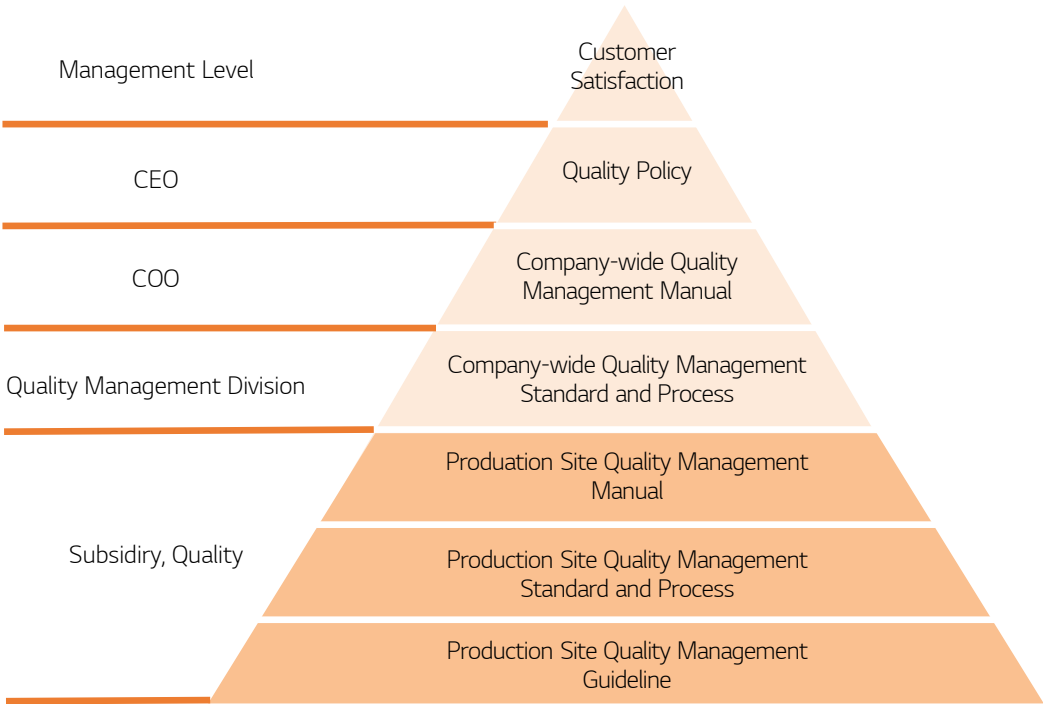


Customer Value Management

Quality Management

LG Magna ensures that all managers and employees actively participate and strive to produce products that meet customer requirements and provide services aimed at customer satisfaction, thereby creating optimal quality. Through the company-wide Quality Management Manual, LG Magna establishes an effective quality system that complies with the IATF16949 Quality Management System, legal and regulatory requirements, and customer quality system requirements. This system is set and adhered to as the standard for all quality management activities from the order stage to service delivery. The quality management system is not limited to the quality of the product itself. In response to Product Liability (PL), LG Magna has established a Product Liability Prevention (PLP) system according to the Safety Product Development Work Manual. This system ensures the safety of customers and employees in any usage environment and contributes to resource conservation, environmental protection, safety, and the prevention of field claims by developing, producing, and providing environmentally friendly products.

Company-wide Quality Management System



Quality Management Policy

LG Magna is dedicated to offering "customer value" that ensures the highest level of customer satisfaction, grounded in the principles of 'Creating Value for Customers and Respect-Based Management.' To achieve this, all departments and employees of LG Magna actively participate in continuous quality improvement, cost improvement, and quality system enhancement activities to provide products and services that meet and exceed customer requirements and expectations.

Quality Certification Status

Production Site	ISO 9001 (Quality Management System)	IATF 16949 (Automobile Industry Quality Certification)
South Korea (Incheon)	O	O
China (Nanjing)	O	O
Mexico (Ramos)	O	O
Hungary (Miskolc)	Scheduled to 2026	Scheduled to 2026

Customer Companies Awards Performance

Customer	Ford
Award Name	Ford Q1 Award
Award Year	2022

Customer Value Management

Quality Management System

LG Magna's quality management system is a strategic decision that contributes to improving the overall performance of the organization and provides a solid foundation for sustainable development plans. This system ensures the consistent delivery of products and services that meet customer requirements and applicable legal and regulatory requirements, defining key activities to enhance customer satisfaction. The systematic operation of this quality management system is a core element of customer value.

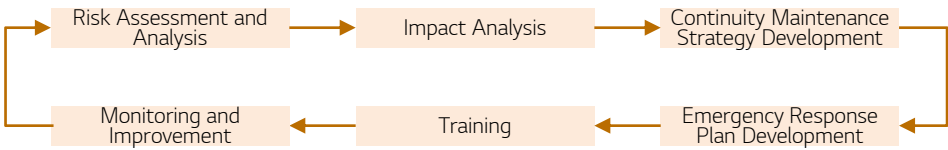


Quality Diagnosis

To achieve Zero Defect quality management, regular (annually) and occasional (in the event of quality incidents) diagnostics are conducted from both development and mass production quality perspectives. Immediate corrective actions are taken for any non-conformities identified. The quality diagnosis program is composed of detailed diagnostic checklists and requirements based on the extensive quality management expertise accumulated by LG Electronics and Magna. To ensure fair and objective diagnostics from a third-party perspective, quality management experts from LG Electronics' Quality Management Center and Magna participate in the process.

Business Continuity Management

LG Magna adopts the ISO 22301 (Business Continuity Management System) standard, a systematic approach to ensure the continuous operation of key business functions even in the event of unexpected crises or disasters. The company has obtained ISO 22301 certification and undergoes annual validity audits by third-party organizations.



Crisis Management System

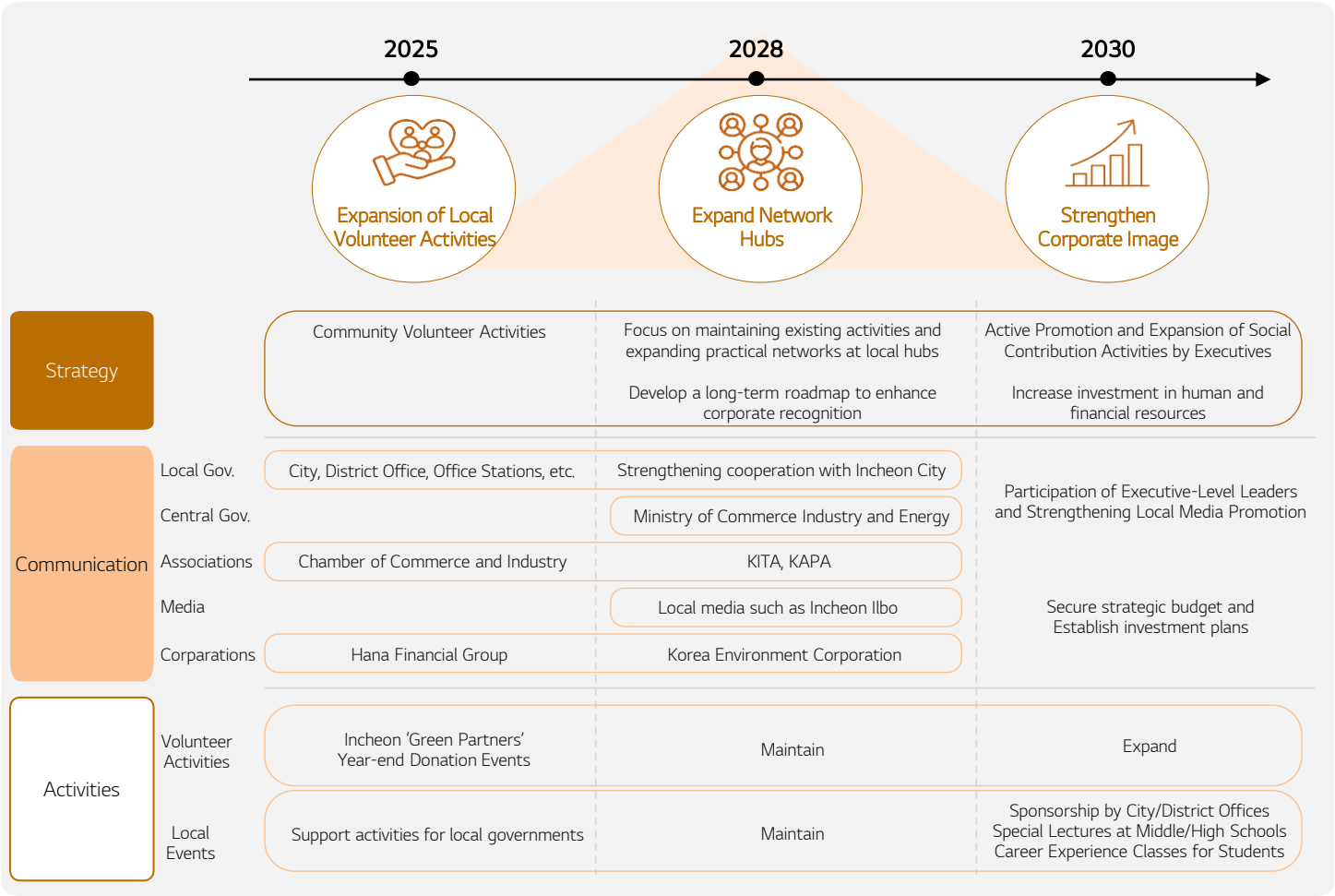
LG Magna is committed to maintaining business continuity and consistently providing products and services to customers under any crisis situation. To achieve this, a systematic and thorough crisis management system has been established, and a rapid and effective response system is operated to maintain customer trust. Crises are categorized into quality, safety environment, information protection, compliance, and SCM, and are classified into four levels based on specific crisis grading criteria, with optimized response activities performed for each situation.

Category	Grade A (Severe)	Garde B (Borderline)	Grade C (Caution)	Grade D (Attention)
Response Entities	Company-wide Emergency Response Committee * As Needed	On-site Emergency Response Committee * As Needed	Relevant Executive-level Organizational Responsible Person	On-site Relevant Department/Team Leader-level Organizational Responsible Person
Response Actions	<ul style="list-style-type: none"> Crisis Response by Division Determine whether to convene Company-wide Emergency Response Committee 	<ul style="list-style-type: none"> Crisis Response by Division Determine whether to convene On-site Emergency Response Committee (Division Crisis Response Team) Request to convene the Company-wide Emergency Response Committee if necessary 	<ul style="list-style-type: none"> Situation Tracking and Management (Monitoring) Predict crisis escalation options and identify potential issues 	<ul style="list-style-type: none"> On-site Department Self/Response (Establish Recurrence Prevention Measures)

Social Contribution

LG Magna, as a global company, aims to contribute to creating a better society by engaging in ESG (Environmental, Social, and Governance) management. To systematically implement this, we have established a strategic framework for social contribution activities to enhance corporate recognition and build local trust in the areas surrounding our domestic business sites. Through this systematic approach, we plan to efficiently strengthen our local networks and, in the future, elevate our corporate stature by investing more actively in resources.

Roadmap for External Social Contribution Activities



Social Contribution

Community Support

We have been continuously engaging in activities to coexist with the local communities near our domestic business sites. In 2020, to fulfill our corporate social responsibility, we visited areas affected by heavy rains to help organize and restore damaged households and support the repair of affected products. Since 2022, we have been collaborating annually with local volunteer organizations to make 500 heads of kimchi and deliver them to low-income families and elderly people living alone.

In particular, starting in 2024, we have been participating in a corporate participation program organized by Incheon City, aimed at environmental protection and sustainable development. In 2024, we produced climate change response and carbon neutrality practice disaster kits containing de-icing agents made from starfish bones and distributed them to the local community. In 2025, we contributed to the community by creating and distributing cool kits to help vulnerable groups cope with the hot summer.



[Support Activities for Gokseong Flood Recovery]



[2025 Incheon City Green Partners Event]



[Electric Vehicle Experience Class Operation]

Employee Voluntary Participation Activities

As part of our corporate social responsibility activities, we regularly conduct donation campaigns for neighbors in need, encouraging voluntary participation from our employees. In 2020, we held a charity bazaar within the company to raise funds and delivered encouragement gifts to the Incheon City Health Center to support neighbors struggling due to COVID-19. Since 2022, we have been running an annual ramen donation campaign within the company to help underprivileged neighbors have a warm winter, delivering ramen to child-headed households and children in need. Additionally, in 2023, we organized an electric vehicle experience class for elementary school students in the area. Employees who became one-day teachers explained the principles of electric vehicle operation and provided test drive opportunities, helping students easily understand the principles and advantages of electric vehicles.

Labor Union's Social Responsibility Activities (USR)

Reflecting the will of being a member of society, the labor union's social responsibility activities are recognized as important by the LG Magna labor union. They operate various programs not only to enhance the rights and interests of union members but also to address social issues. Since 2022, in collaboration with local volunteer organizations, they have been providing practical support to those in need near the business sites, including delivering daily necessities, supporting experiential activities, and holding kimchi-sharing events for children, adolescents, elderly people living alone, and low-income families. In 2024, they expanded the scope of support and activities by participating in the 'Incheon Green Landing Operation,' a corporate participation program organized by Incheon City aimed at environmental protection and sustainable development. LG Magna will continue to strive for coexistence with the local community.



[Love Kimchi-Making Event]



[Ramen Donation Event]



LG Magna Sustainability

Governance

056 Compliance/Jeong-Do

063 Information Security

Governance

Compliance/Jeong-Do

LG Magna operates a compliance program to prevent legal disputes and sanctions and to establish a culture of compliance management, aiming to grow into a company trusted by customers.

Jeong-Do Management is LG's unique way of conducting business, which involves continuously developing capabilities and competing fairly based on ethical management. To realize this, the Jeong-Do Management organization regularly checks the fundamental competitiveness of the business and the appropriateness of operations. Additionally, they are strengthening education and promotion and activating reporting channels to establish a culture of Jeong-Do Management that adheres to basic principles through various activities.

Key Achievements (~2025Y)

Compliance Activities

Core Risk Assessment and Improvement

10risks/year

* Since 2021

Completion of Online Training

828persons

* Based on Korea Office Position (2024)

Jeong-Do Management Activities

Jeong-Do Management Promotion Activities

9activities

* 2024~2025

Completion of Online Training

829persons

* Based on Korea Office Position (2024)

Number of Reports Using Reporting Channels

4report

* 2024~2025

Domestic and Overseas Function Audit

5times

* 2024~2025

Short-term Goals (~2028Y)

Compliance/Jeong-Do Management Education Completion Rate for Employees: Over 90%

100% Execution of Compliance Core Risk Improvement Activities

Improvement of Employee Awareness of Subcontracting Law

- Activities Based on Employee Awareness Survey and Analysis of Subcontracting Law
- Education Through Quizzes, etc.

Contributing to Maintaining and Developing Business Competitiveness Through the Establishment of a Jeong-Do Management Culture

- Employee Jeong-Do Management Education (Maintaining a 100% Completion Rate Within 2 Years)
- Continuous Jeong-Do Management Promotion Activities (Jeong-Do Management Letters, Letters to Leaders, CEO Messages, etc.)
- Prompt Response to Reports and Fair Investigation and Reporting
- Regular, Thematic, and Directed Diagnosis of Basic Competitiveness and Operational Appropriateness

Mid- to Long- term Goals (2029Y~)

Compliance/Jeong-Do Management Education Completion Rate for Employees: Over 99%

100% Execution of Compliance Core Risk Improvement Activities

Reduction of Non-Conforming Cases in Reporting/Audit Through Systematic Execution of Jeong-Do Management Activities

Supplementing the Compliance System Reflecting Global Standards

- UN Disaster Risk Management, EU INFORM* Indicators, etc.
- * EU INFORM: Index for Risk Management and Disaster Analysis Stakeholder Forum

UN SDGs



16 Peace, Justice and Strong Institutions

Board of Directors

LG Magna operates its Board of Directors transparently, reflecting societal demands and expectations for the establishment of transparent governance. The Board of Directors is convened by each director in accordance with the Articles of Incorporation and Board regulations. Each director and auditor is notified of the meeting's date, time, and location in writing or electronically at least 10 business days prior to the meeting.

Resolutions of the Board are made by a majority vote of the directors present, unless otherwise specified by relevant laws. All directors can participate in resolutions via remote communication means such as conference calls, and in such cases, they are considered to be present at the Board meeting. In 2024, the Board held seven meetings and deliberated on a total of 27 agenda items. Major decisions made by the Board in 2024 include the appointment of the CEO and the approval of the mid-to-long-term product/technology roadmap.

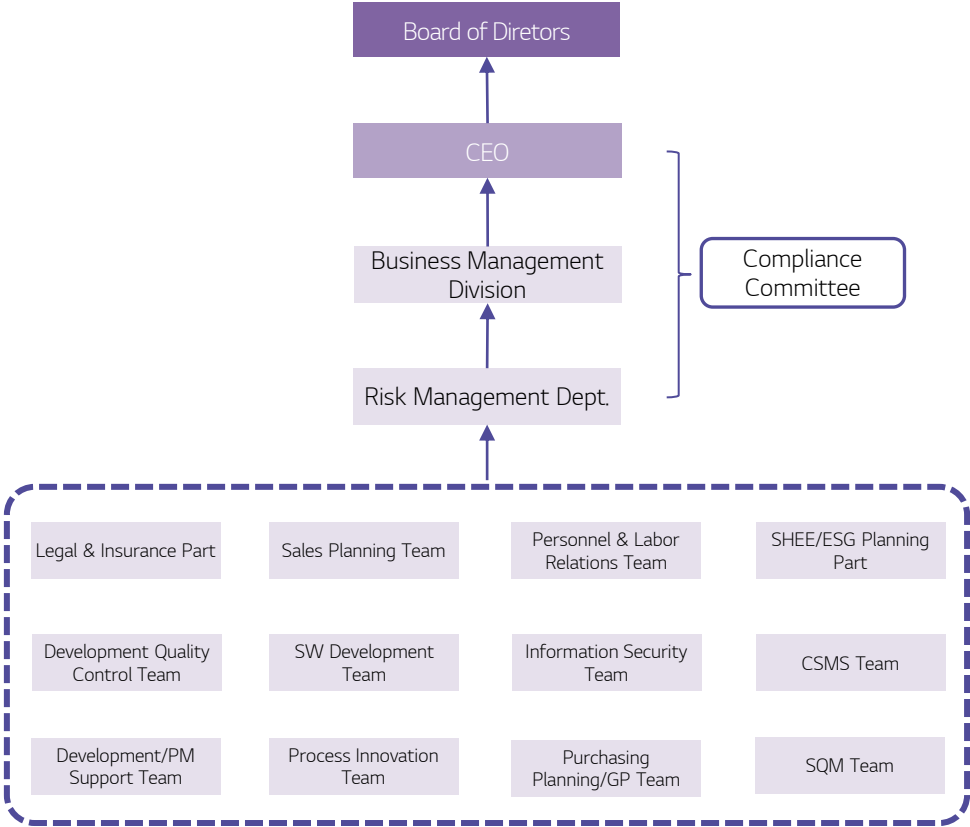


Compliance Management

Compliance Management System

As a global company operating in multiple countries, including overseas subsidiaries, LG Magna's employees are subject to a wide range of diverse regulations in the course of their duties. LG Magna's compliance program is designed to systematically and effectively address the risk of legal violations that employees may encounter in their work processes, thereby preventing risks in advance and preventing recurrence.

Compliance Management Organization System



Compliance Committee

To promote fair and transparent business conduct, ensure the sound development of the company, and secure customer trust by complying with laws and regulations, LG Magna operates a CEO-level Compliance Committee on a quarterly basis. The CEO and the management team participate in this committee, demonstrating the management's commitment to compliance, discussing issues, and thereby improving risk management and fostering a culture of compliance within the organization.

Compliance Policy

To comply with the extensive and diverse laws and internal regulations applicable to LG Magna's employees, a Code of Conduct is in place.

[LG Magna Employee Obligations]

- 1 All employees must always practice the company's management philosophy with the goal of providing the highest value to all stakeholders, including customers, employees, and shareholders, in the performance of their duties.
- 2 Employees must comply with local laws and regulations, regardless of the region in which they work.
- 3 Employees must faithfully follow company policies and procedures related to their work.
- 4 In situations where it is difficult to make a judgment, employees should seek advice from their supervisors or relevant departments and take appropriate actions.
- 5 Any actions suspected of violating the Code of Conduct or company policies must be reported.

[LG Magna Code of Conduct]

- 1 Honesty and Integrity towards Customers
 - Reliable Marketing
 - Product Safety and Standards
 - Protection of Customer Personal Information
- 2 Desirable Work Environment
 - Fair Personnel Management
 - Organizational Culture of Mutual Respect
 - Healthy and Safe Work Environment
- 3 Fair Competition
 - Collection of Competitive Information
 - Fair Trade, Relationships w/Clients, Partners
 - Respect for Intellectual Property Rights and Prohibition of Bribery
- 4 Responsibility to the Community
 - Environmental Protection
 - Respect for International Trade Order
- 5 Enhancement of Stakeholder Value
 - Information Protection and Confidentiality
 - Protection of Intellectual Property

Compliance Activities

Compliance Risk System

LG Magna operates a practical and effective compliance risk management system with the participation of all related organizations according to compliance management standards. A total of 75 risks across 10 areas are specifically defined and examples of violations are registered in the compliance risk pool for use in management activities. For key risks, more proactive and specific preventive measures are implemented.

[Compliance Risk Management Process]



Core Compliance Risks

Core compliance risks that could pose significant threats to business operations are identified through evaluation. The responsible organizations conduct annual activities to prevent risks in each department and submit the results to the compliance portal for management. There have been no key compliance violations in the past three years.

Core Risks	Mandatory Implementation Activities	Tool
Product (Product Safety, Standards, Hazardous Substances)	자체점검 및 Claim 현황 보고 - Compliance with Important Issue Response and Reporting Procedures	제품안전업무규정 - Crisis Response Management Standards
Working Hours	- Weekly Working Hours Monitoring - Continuous Working Hours Monitoring	RBA Audit manual
Illegal Dispatch	Monitoring of Employment Contracts	Internal Checklist
Unfair Trade	- Regular Subcontracting Education - Monitoring of Transactions with Partners	Partner Management System (MDMS)
Collusion	Compliance with Competitor Contact Reporting Procedures	Company-wide Competitor Contact Guidelines
Personal Information	Inspection of Personal Information through Software	Software (Privacy-i)
Safety Environment/ Serious Accidents	Pre-inspection of Core Risks	Guidelines for Pre-inspection of Safety and Environmental Core Risks
Open Source	- Compliance with OSC Process - Response to External Claims - Implementation of Internal Improvement Activities	Open Source Management Standards
Software Copyright	Remote Survey of PC Software Usage	Software (Ahnlab)
Product Cybersecurity	Compliance with SDL Process	Product Software Security Activities (LG-SDL) Standards

Compliance Activities

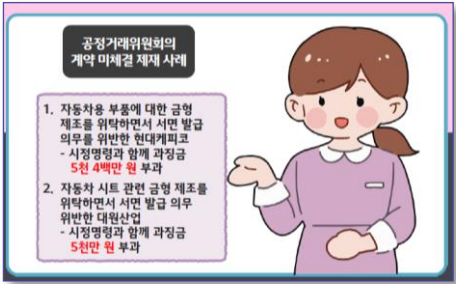
LG Magna emphasizes the importance of legal compliance to all employees and provides related information by designating compliance training as mandatory, to be completed once a year. Subcontracting law training is conducted face-to-face on a semi-annual basis for relevant departments. Additionally, various violation cases, company policies, and compliance principles are regularly distributed monthly through internal communication channels. To improve key compliance risks, each department is required to establish and implement annual improvement plans, and the results are monitored quarterly and reported to the Compliance Committee.

[Main Compliance Risk Improvement Activities]

Core Risks	Contents
PL (Product Liability)	Conduct a PL/Safety Technology and Standards Trend Exchange Meeting twice a year
Standards	Conduct an annual Standards Risk Inspection
Quality	Introduce Magna Quality Diagnosis/Improvement System
Hazardous Substances	- Conduct 100% Conformity Assessment through Harzarous Substances Management System - Monthly inspection of incoming parts subject to management
Working Hours	Establish and apply working hours management standards for office workers
Unfair Trade/Subcontracting	Monitor technical data and cost reduction requests (As Needed)
Illegal Employment Relationships	Complete internalization of manufacturing and R&D subcontracting
Collusion	Conduct semi-annual monitoring of competitor contact
Safety Environment/ Serious Accidents	Conduct biannual compliance evaluations of safety, health, and environmental regulations
Personal Information	- Conduct annual information protection training, including personal information - Implement monthly protection measures for unique identifiers of work PCs



[LG Magna Compliance Online Education]



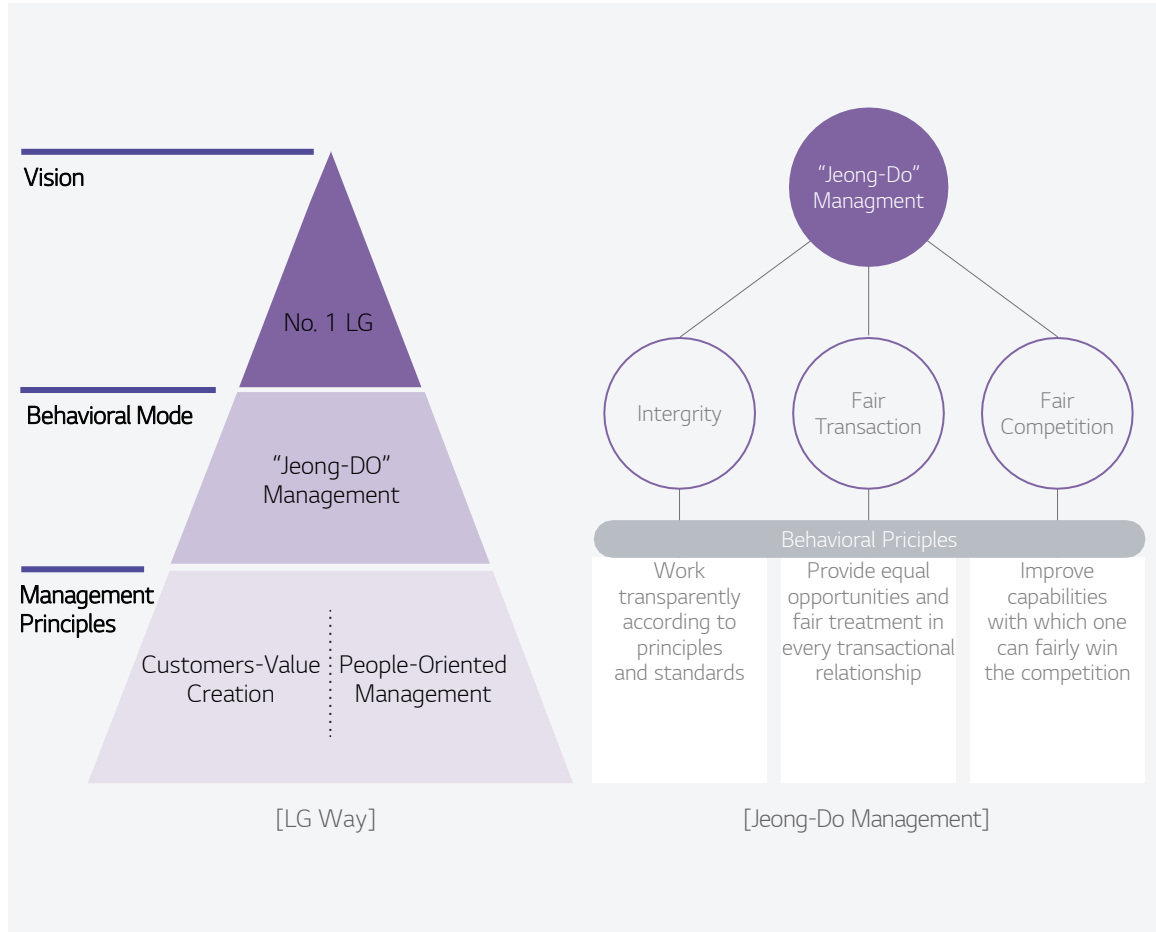
[Compliance Letter]

Jeong-Do Management System

LG Way and Jeong-Do Management System

The LG Way serves as the foundation for the thoughts and actions of LG members. It includes the vision of achieving "First-Class LG" by implementing the management philosophy of "Creating Value for Customers" and "Respect-Based Management" through the practical action method of "Jeong-Do Management."

LG Jeong-Do Management



LG Code of Conduct

The LG Code of Ethics serves as the standard for correct behavior and value judgment that all employees must adhere to in order to practice Jeong-Do Management.

<div>Chapter 1</div> <div>Responsibilities and Obligations to Customers</div> <div>1. Respecting Customers</div> <div>2. Creating Value</div> <div>3. Providing Value</div>	<div>Chapter 2</div> <div>Fair Competition</div> <div>1. Pursuing Free Competition</div> <div>2. Complying with Laws and Regulations</div>	<div>Chapter 3</div> <div>Fair Transactions</div> <div>1. Equal Opportunity</div> <div>2. Fair Transaction Process</div>
<div>Chapter 4</div> <div>Basic Ethics of Employees</div> <div>1. Basic Ehtics</div> <div>2. Accomplishing Mission</div> <div>3. Self-development</div> <div>4. Fair Handling of Job</div> <div>5. Avoiding Conflict of Interests with the company</div>	<div>Chapter 5</div> <div>Corporate Responsibilities for Employees</div> <div>1. Respecting Humanity</div> <div>2. Fair Treatment</div> <div>3. Promoting Creativity</div>	<div>Chapter 6</div> <div>Responsibilities to the Nation and Society</div> <div>1. Rational Business Operation</div> <div>2. Protecting Shareholder Returns</div> <div>3. Contributing to Social Development</div> <div>4. Conservation of the Environment</div>

LG Magna Jeong-Do Management Organization

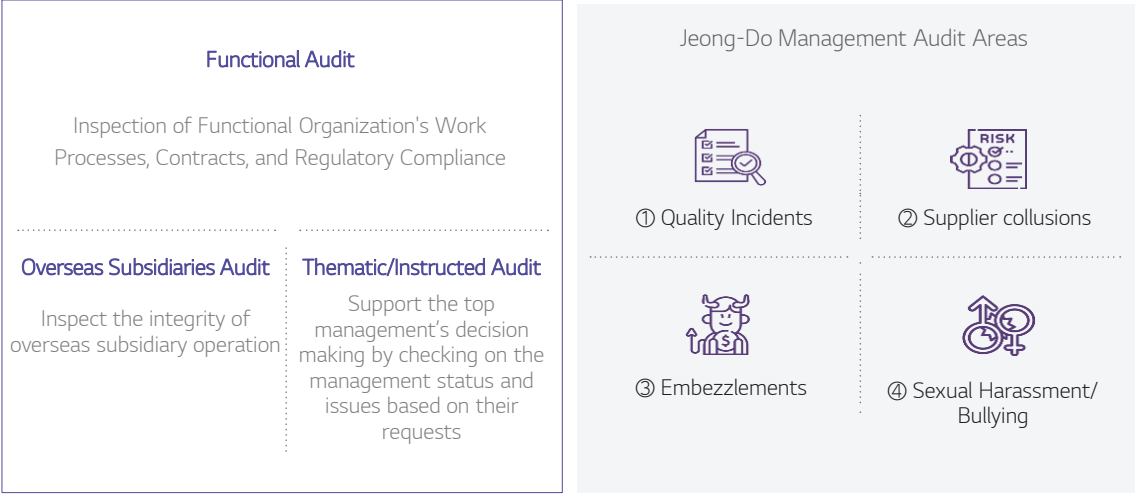
Starting in 2024, LG Magna has officially operated a Jeong-Do Management department to practice Jeong-Do Management. This department conducts diagnostics on reports received from employees to identify and improve corruption and irregularities, and carries out education and promotional activities to prevent them. Additionally, by performing business process diagnostics, it manages Jeong-Do Management risks and contributes to enhancing the overall competitiveness of the company.

Jeong-Do Management Activities

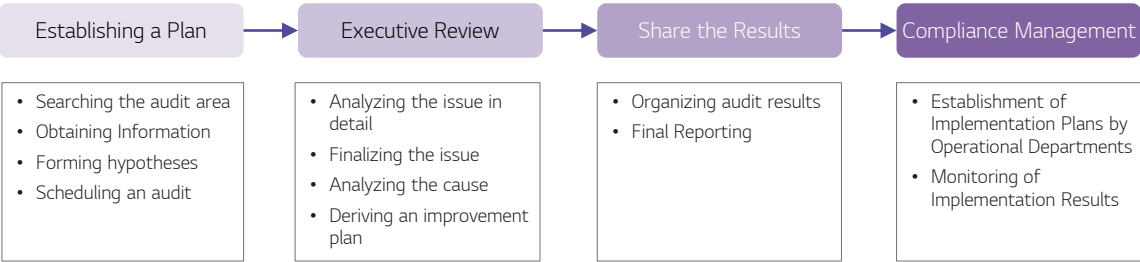
Jeong-Do Management Risk Management

LG Magna focuses on early identification of risks and elimination of root causes through pre-audit of conditions and issues. Regular management status surveys are conducted to assess the reliability of management information and review the appropriateness of business processes according to internal regulations, thereby deriving improvement measures. Through this process, the soundness of management is continuously strengthened.

Jeong-Do Management Audit Types



Jeong-Do Management Audit Process



Jeong-Do Management Violation Reporting System

Cyber Reporting System

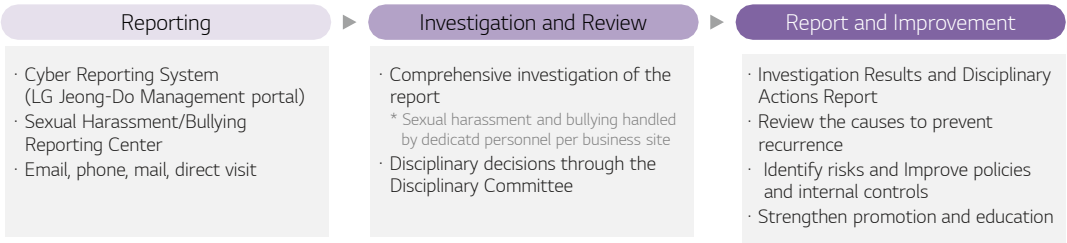
LG Magna operates various reporting systems to allow employees to report any Jeong-Do Management violations that may occur during their work. Reports can be made through various channels such as internal and external reporting channels, email, mobile, and phone. Not only internal employees but also external stakeholders such as customers and partners can participate. All reporting channels allow for anonymous reporting, and the content received is kept strictly confidential in accordance with whistleblower protection regulations. If an investigation confirms that the reported issue is true, disciplinary and educational measures are taken according to internal standards, considering the severity of the matter.

Whistleblower Protection and Fraud Reporting Reward System

Informant Protection Principle

To eradicate fraudulent activities, LG Magna operates a Jeong-Do Management Cyber Reporting System. Additionally, to eliminate fraudulent activities that harm customer value and to enhance transparency and accountability, a fraud reporting reward system is in place. This system allows not only employees but also external stakeholders to report fraudulent activities, thereby increasing transparency. The decision on whether to reward and the amount of the reward is determined by the Reward Review Committee based on the severity of the case. LG Magna ensures that the identity of the whistleblower is kept strictly confidential and protects them from any disadvantages that may arise from their reporting.

[Reporting Process for Violations of Jeong-Do Management]



Status of Jeong-Do Management Reports
*2024-2025년 기준
Personnel issues 4cases

Jeong-Do Management Activities

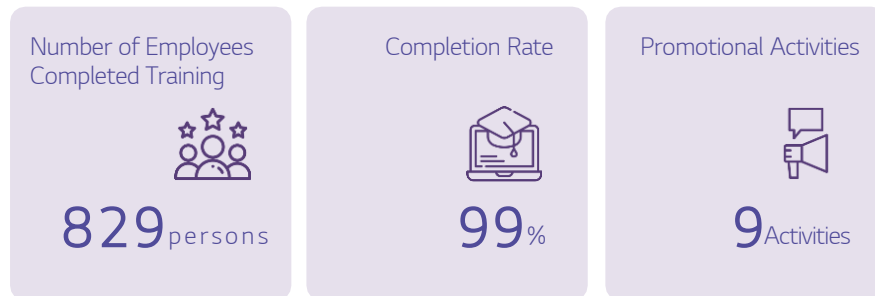
Commitment to Jeong-Do Management

LG Magna conducts a commitment to Jeong-Do management for all employees upon joining the company. Through this commitment, we reinforce our dedication to adhering to the LG Code of Ethics and practicing Jeong-Do management. Additionally, we implement the commitment to Jeong-Do management with our partner companies when entering into new contracts, encouraging them to engage in fair trade practices.

The Ratio of Employees committing to Jeong-Do Management (2022-2024) **100%**
* Based on Global Employees

Training and Promotion Activities for Jeong-Do Management

We continuously operate various training and promotional programs to help employees naturally acquire the principles of Jeong-Do management. Cases of violations are distributed through training materials, bulletin boards, and promotional materials, ensuring easy access for all employees. This initiative aims to inform employees about company regulations, present appropriate standards of conduct, and prevent the recurrence of similar incidents. Through these activities, we also promote Jeong-Do management externally, enhancing employee pride and contributing to the company's ethical image.



*Based on Domestic employees (excluding production staff), 2024~2025

Promotional Activities for Jeong-Do Management

To effectively enhance the ethical awareness of LG Magna employees, we conduct various promotional activities that resonate with and engage employees. We regularly distribute newsletters that include examples of fair management practices and violations, and we conduct surveys to gather employee feedback. These efforts are aimed at internalizing the principles of fair management within the organization.



[Jeong-Do Promotion Letter]

[Jeong-Do Survey Activity]

Governance

Information Security

LG Magna establishes and implements security policies to create a safe and reliable security environment that protects the information assets of the company and its customers, thereby enhancing trust and brand value. We are also implementing a global information security management system through the acquisition of international information security certifications. A Chief Information Security Officer (CISO) and a Chief Privacy Officer (CPO) have been designated, and a dedicated information security department operates to carry out protective measures such as preventing information leaks and conducting inspections.

We run autonomous information security programs tailored to different organizations, including mandatory security activities for overseas subsidiaries (Global Security Index, GSI), team-specific security activities (Team Security Activity, TSA), and partner security activities (Partners Security Activity, PSA), to enhance security awareness among employees and partners.

Key Achievements (~2025Y)

Information Security and Personal Data Incidents

0 cases

* Based on 2024

Information Security Theme Inspections

12 times

* Security Vulnerability Inspection (2024)

Regular Information Security Training

1,095 persons

* Based on Korea Office Position (2024)

Main Awards and Certifications

ISO 27001 (Information Security Management System)

* Based on Domestic

TISAX*

(European Automotive Information Security Certification System)

* TISAX : Trusted Information Security Assessment eXchange

ISO/SAE 21434 Lv 2

(Automotive Industry Cybersecurity Certification System)

* Based on Domestic

Short-term Goals (~2028Y)

Stabilization of Information Security Operations for Overseas Subsidiaries (by 2027)

- Establishing an information security management system, obtaining certifications, and securing a foundation for regulatory compliance.

Establishment of a Security Management System for National Core Technologies (by 2026)

- Formation of a management organization, establishment and operation of security policies, and protective measures such as export reporting

Enhancement of Internal Information Leak Prevention and Response System (by 2026)

- Maintaining zero internal information leaks and establishing/operating new information leak prevention solutions.

Compliance with Information Security and Personal Data Protection Regulations (Annually)

- Maintaining zero information security incidents

Advancement of Enterprise Information Security Management System (by 2028)

- Acquisition of European NIS2, ISO 27001, TISAX, and ISO 21434 Level 3 certifications.

Mid- to Long- term Goals (2029Y~)

Establishment and Strengthening of Supply Chain Security Management System

- Enhancing the security level across the entire automotive supply chain to minimize risks associated with vulnerabilities in partner companies

Strengthening Threat Intelligence and Incident Response Capabilities

- Continuously monitoring the latest cyber threat trends and effectively responding to information security incidents to minimize damage.
- Advancement of Security Information and Event Management (SIEM) System and Automation of Threat Analysis

Advancement of Cybersecurity Management System

- Automation of Cybersecurity Incident/Vulnerability Information Search
- Achieving Zero Software Vulnerabilities through Enhanced Cybersecurity Detection Capabilities
- Securing Cybersecurity Incident Response Capabilities

UN SDGs

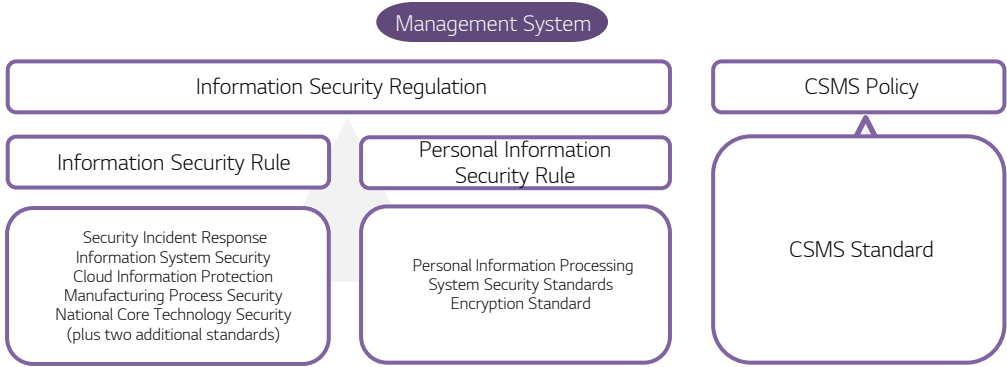


9 Industry, Innovation and Infrastructure

Information Security Management System

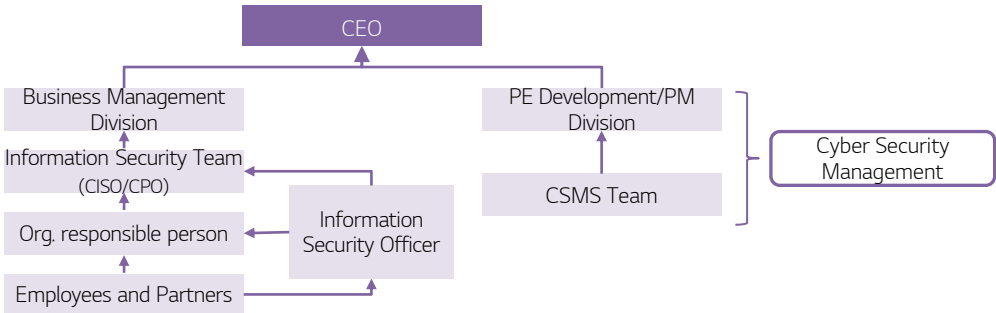
Information Security System

LG Magna has established an information security management system by enacting one regulation, two rules, and nine standards. These policies are reviewed and revised annually to reflect new security vulnerabilities, relevant laws, and changes in international standards. The security policies are managed through a standard management system after final approval by the CISO, following review and deliberation by relevant departments. Updates and revisions are communicated through bulletin boards.



Information Security Management Organization

The information security organization designates the CISO (Chief Information Security Officer) as the head of the information security team, who also serves as the CPO (Chief Privacy Officer). The CISO is appointed in accordance with the Act on Promotion of Information and Communications Network Utilization and Information Protection, and any changes are reported to the Central Radio Management Office. The information security organization consists of the information security team, responsible for information and personal data protection activities, and the CSMS team, responsible for product cybersecurity activities.



Information Security Standards

LG Magna maintains an internationally standardized information security management system by acquiring ISO 27001 (Information Security Management System Certification) and TISAX (European Automotive Information Security Certification). This demonstrates the company's capability to prevent information leakage and respond to security threats. Additionally, LG Magna has adopted ISO/SAE 21434 (Automotive Cybersecurity Standard) and UNECE R155 (UN Regulation on Automotive Cybersecurity and Software Updates) to establish and operate a cybersecurity management system, obtaining certification from third-party organizations.

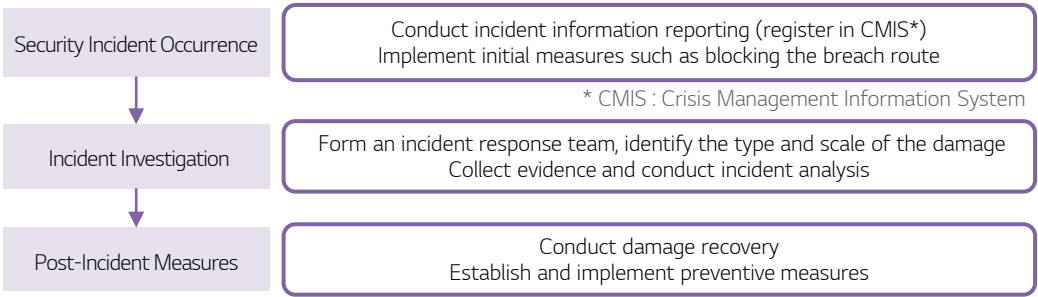


Protection of National Core Technologies

As a holder of national core technologies in the electric vehicle drive system field, LG Magna complies with the Industrial Technology Protection Act and related laws. The company has established security management regulations to protect national core technologies, including personnel management, information asset management, protected area management, information system management, and response to technology leakage incidents. These measures ensure the protection of both the company's and the nation's industrial technologies.

Security Incident Response

LG Magna operates an incident response process to ensure swift action and business continuity (BCM) in the event of a security incident. This process includes incident reporting, cause investigation, damage recovery, and preventive measures. The response system is tested and improved through annual drills to maintain and enhance response capabilities.

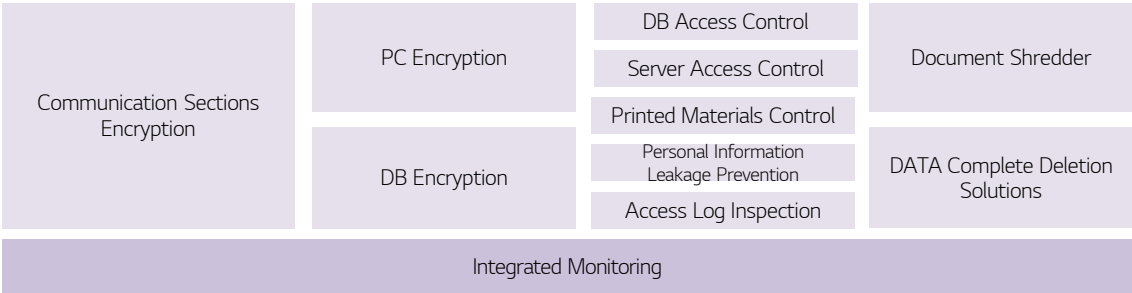


Information Security Activities

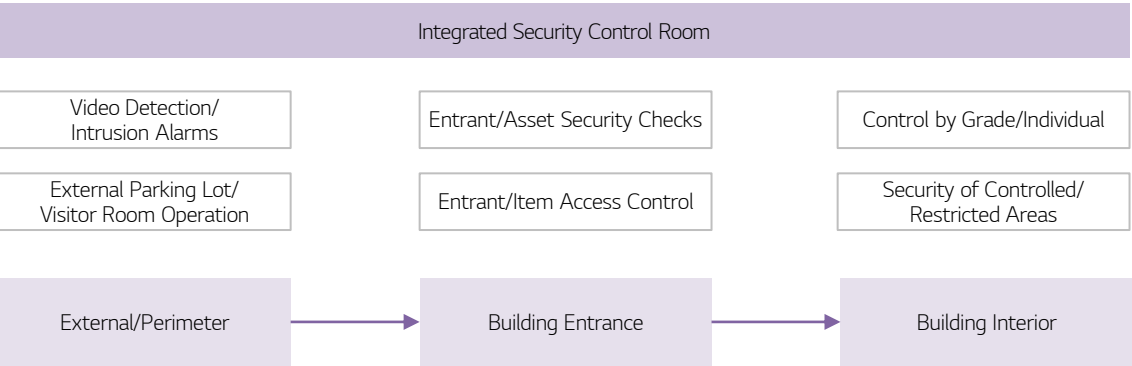
Protection of Information Assets

LG Magna applies a high level of security management system. The network is divided into office network (OA) and production network (FA), and each gateway is equipped with security systems such as firewalls to detect and prevent external attacks. Important servers and work PCs are monitored through an integrated monitoring system to prevent information leakage incidents, and a 24/7 security monitoring service is in place to prevent external intrusion incidents. Additionally, a visitor reservation system is operated to manage visitors, and security checks on belongings are conducted for all entrants. Through the operation of a security control room that integrates CCTV systems, access control systems, perimeter intrusion detection systems, and vehicle management systems, unauthorized access by outsiders is prevented, and the safety of the facilities is ensured to effectively protect the company's information assets.

[Network and Security Event Management]



[Information Asset and Entrant Security Management]



Manufacturing Process Security

LG Magna strengthens the security of production facilities, systems, and networks to prevent all types of cyber attacks that could compromise the security of the manufacturing process. The production network is configured as a closed network, separated from the general OA network, and security requirements are established and complied with according to standards. Additionally, when introducing new production facilities, security reviews are conducted to prevent malware infections, and regular security inspections are carried out to prevent production interruptions or delays due to security incidents.

Category	Details	Remarks
Security Standards	LG Magna Manufacturing Process Security Standards	Revised Annually
Remote Control	In-house Remote Control Solution for Production Equipment	Not allowed external control
Network	Separation of Office/Production Networks	iDMZ* Operation
Production Equipment Security	Inventory Registration/Management of Production Equipment Control of USB/LAN ports, Antivirus Installation and Engine Updates, OS Updates	
New Production Equipment	Network usage is allowed only after completing the security review procedure	
Security Education	Training for Security Personnel and Manufacturing Site Workers	Annually

* iDMZ : By operating a buffer zone between the production network and the office network, direct connections from external sources or the office network to the production network are blocked.

Information Security Education and Awareness Enhancement

Mandatory training conducted at least once a year for all employees strengthens the ability to prevent and respond to security risks. Additionally, segmented training according to the level of information access, such as for handlers of national core technologies and personal information, is conducted in parallel to enhance awareness and compliance with information security policies and procedures.

Targets	Education Name	Frequency
All Employees	Information Security/Personal Data Protection Training for Employees	Annually
	Security Training for New Employees	
The Relevant Employees	Security Training for Handlers of National Core Technologies	Annually
	Security Training for Manufacturing Process Security Officers	Annually
	Security Training for Personal Information Handlers	Annually
	Security Training for Departmental Security Officers	Biannually
Oversea Subsidiaries	Mandatory Information Security Training for Employees	Annually

Personal Information Security

Personal Information Security

To strengthen personal information security, LG Magna has designated a Chief Privacy Officer (CPO) and assigned personal information security officers within the information security department to handle personal information-related tasks. We monitor the enactment and revision of relevant laws and reflect these changes in our personal data policies. We ensure that all collected and used personal information is securely protected.

Composition of Personal Information Processing Policy

In accordance with relevant laws and standards, LG Magna has established its personal information processing policy as follows. The detailed policy is posted on our website and is utilized in information security management.

- 1

Personal Information Items
- 2

Purpose of Collection and Use
- 3

Retention Period of Personal Information
- 4

Measures to Ensure the Security of Personal Information
- 5

Personal Information Processing Outsourcing
- 6

Customer Rights and How to Exercise Them
- 7

Personal information Protection Officer

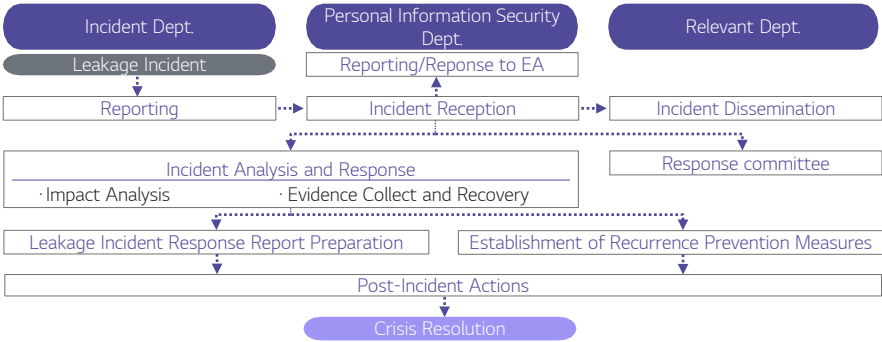
Personal Information Processing Compliance Inspection

LG Magna systematically conducts compliance checks following the personal information life cycle and performs internal audits annually. Additionally, to manage personal information risks, we conduct internal audits using self-checklists for both domestic and international business sites. These audits cover the entire personal information life cycle, from collection to disposal. We also verify compliance with personal information security policies through third-party audits annually.

Collection	· Consent of the information subject
	· Restrictions on the collection of personal information
	· Consent of the legal guardian for children under 14
	· Restrictions on processing sensitive information and unique identifiers
Use/Provision	· Obtain consent when providing personal information to third parties
	· Prohibition of Use/Provision of Personal Information for Purposes Other Than Intended
	· Distinction Between Outsourcing Personal Information Processing and Third-Party Provision
Storage/Management	· Measures to ensure the security of personal information
	· Establishment of internal management plans
	· Disclosure of personal information processing policies
Disposal	· Calculation of personal information retention periods
	· Disposal of personal information upon achieving the retention period and purpose of use

Response to Personal Information Leakage

LG Magna has established and operates a system for swift response and minimizing damage in the event of personal information leakage or incidents. Upon recognizing and reporting a, the information security department immediately disseminates the incident details to relevant departments and forms an incident response team. This team conducts damage assessment, emergency measures, impact analysis, evidence collection, and recovery activities. Based on the results of post-incident actions, external investigations may be requested. To strengthen accountability for personal information security, we have established information security and personal information security management standards and disciplinary regulations, which are enforced under a zero-tolerance policy for violations. As a result of these activities, there have been zero security violations or reported cases related to customer, partner company, and employee personal information until 2024.



Enhancing Personal Information Awareness

To ensure the security of personal information of customers and employees, we annually establish plans for personal information security activities, including regular inspections of personal information handlers, processing systems, and subcontractors, as well as promoting awareness of personal information security. Additionally, we mandate personal information training for members who handle personal information in their work, regularly inspect handling status, and verify the completion of training by subcontractor personnel. We conduct continuous education for all employees to recognize the importance of personal information security and apply relevant policies and regulations in practice, thereby raising awareness of personal information security.

Personal Information Liability Insurance

To anticipate situations and factors that could lead to personal information leakage, and to minimize damage and provide appropriate remedies for customers and employees in case of an incident, we have subscribed to personal information liability insurance.



Appendix

068 Main Certifications

073 CDP Verification Opinion

Main Certification

Category	Certification Name		Site
Quality	ISO 9001	Quality Management System	Incheon HQ (Overseas) Nanjing, Ramos Site
	IATF 16949	Automotive Industry Quality Management System	Incheon HQ (Overseas) Nanjing, Ramos Site
	ISO/IEC 17025	Laboratory/Calibration Institution Quality Management System	Incheon HQ *EMC (Electromagnetic Compatibility)
Environment/Energy	ISO 14001	Environmental Management System	Incheon HQ (Overseas) Nanjing Site
	-	Eco-friendly Workplace Certification	Incheon HQ
	ISO 50001	Energy Management System	Incheon HQ (Overseas) Nanjing Site
Safety and Health	ISO 45001	Occupational Health and Safety Management System	Incheon HQ (Overseas) Nanjing Site
Crisis Management	ISO 22301	Business Continuity Management System	Incheon HQ (Overseas) Nanjing Site
Product Security	ISO/SAE 21434 Level 2	Automotive Industry Cybersecurity Management System	Incheon HQ
Information Security	ISO 27001	Information Security Management System	Incheon HQ
	TISAX* Level Very High	European Automotive Information Security Certification System	Incheon HQ (Overseas) Nanjing Site

* TISAX : Trusted Information Security Assessment eXchange

Main Certification

Quality



Certification Name	ISO 9001
Certification Purpose	An international standard for Quality Management Systems (QMS) that provides a framework for organizations to meet customer requirements and continuously improve quality.
Valid Duration	(Incheon) '24. 01. 24 ~ '27. 01. 23 (Nanjing) '22.09. 21 ~ '25. 09. 20
Site	Incheon HQ (Overseas) Nanjing, Ramos Site



Certification Name	IATF 16949
Certification Purpose	An international standard for quality management systems published under the auspices of the International Automotive Task Force (IATF). It is based on ISO 9001 and includes specific requirements for the automotive industry to enhance the effectiveness of quality management systems.
Valid Duration	(Incheon) '24. 01. 24 ~ '27. 01. 23 (Nanjing) '22. 09. 21 ~ '25. 09. 20
Site	Incheon HQ (Overseas) Nanjing, Ramos Site



Certification Name	ISO/IEC 17025
Certification Purpose	This is an international standard designed to evaluate and certify the capabilities of laboratories and calibration facilities. It specifies the requirements necessary to ensure the accuracy and reliability of testing and calibration.
Valid Duration	'22. 10. 20 ~ '26. 10. 19
Site	Incheon HQ *EMC (Electromagnetic Compatibility)

Main Certification

Environment·Energy



Certification Name	ISO 14001
Certification Purpose	This standard specifies the requirements for an environmental management system and provides a systematic approach to help organizations improve their environmental performance and manage their environmental impacts.
Valid Duration	(Incheon) '25. 06. 19 ~ '27. 09. 09 (Nanjing) '25. 01. 17 ~ '28. 01. 16
Site	Incheon HQ (Overseas) Nanjing Site



Certification Name	Environmental Management Excellence Certification
Certification Purpose	This certification is awarded to companies that perform proactive environmental management throughout their business activities and continuously improve their environmental performance. It is a system that recognizes the excellence of environmental management system performance..
Valid Duration	'24. 01. 01 ~ '26. 12. 31
Site	Incheon HQ



Certification Name	ISO 50001
Certification Purpose	This international standard provides a framework for organizations to manage and improve their energy performance. It aims to help organizations build systems necessary to improve energy efficiency, reduce energy costs, and enhance energy performance.
Valid Duration	(Incheon) '25. 06. 19 ~ '27. 10. 07
Site	Incheon HQ (Overseas) Nanjing Site

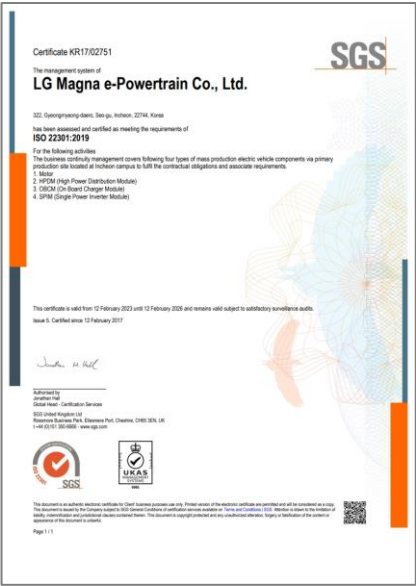
Main Certification

Safety and Health



Certification Name	ISO 45001
Certification Purpose	This standard specifies the requirements for managing health and safety in the workplace and provides a systematic approach to help organizations protect and improve the safety and health of their workers.
Valid Duration	(Incheon) '25. 06. 10 ~ '27. 09. 09 (Nanjing) '25. 01. 17 ~ '28. 01. 16
Site	Incheon HQ (Overseas) Nanjing Site

Crisis Management



Certification Name	ISO 22301
Certification Purpose	This standard aims to help organizations effectively manage and maintain business continuity. It provides a systematic approach for organizations to continue or quickly recover critical business functions during or after a disaster.
Valid Duration	(Incheon) '23. 01. 12 ~ '26. 02. 12 (Nanjing) '24. 05. 12 ~ '27. 05. 11
Site	Incheon HQ (Overseas) Nanjing Site

Product Security



Certification Name	ISO/SAE 21434 Level 2
Certification Purpose	Achieving Level 2 in automotive cybersecurity indicates that an organization has implemented a cybersecurity management system to identify and manage cybersecurity risks throughout the vehicle's lifecycle.
Valid Duration	(Incheon) '24. 12. 06 ~ '25. 12. 06
Site	Incheon HQ

Main Certification

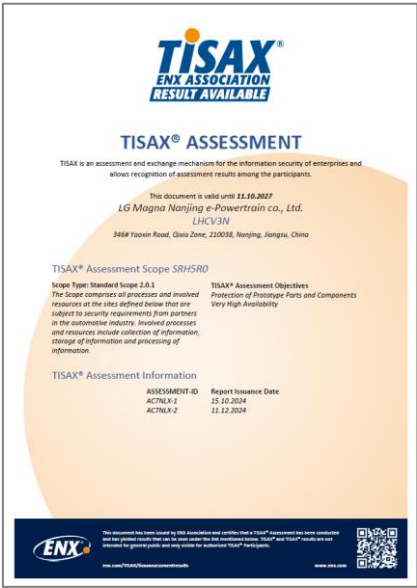
Information Security





Certification Name	ISO 27001
Certification Purpose	This standard helps organizations establish, implement, maintain, and continually improve a systematic information security management system to protect information assets, manage risks, and enhance the organization's reliability.
Valid Duration	(Incheon) '22. 06. 24 ~ '25. 06. 22
Site	Incheon HQ



Certification Name	TISAX Level Very High
Certification Purpose	TISAX is a standard for information security assessment and certification, primarily used in the automotive industry. It was developed to meet the information security requirements within the supply chain.
Valid Duration	(Incheon) '24. 09. 14 ~ '27. 09. 06 (Nanjing) '24. 11. 12 ~ '27. 11. 10
Site	Incheon HQ (Overseas) Nanjing Site



2024 CDP (Carbon Disclosure Project) Verification Opinion



Verification Opinion

LG Magna e-Power Train co., Ltd.

This opinion is a third-party verification opinion of LG Magna e-Power Train's Respond of `2024 CDP Corporate questionnaire.

Period

Climate change related information and data of one year from 1 January to 31 December, 2023

Scope

- The verification has covered the response describing activities on climate change performance and systems on LG Magna e-Power Train's sites according to operational control approach of WRI/WBCSD GHG protocol Chapter3.
- LG Magna e-Power Train's response for `2024 CDP Corporate questionnaire includes direct emissions (Scope1), indirect emissions (Scope2) already confirmed by a third party verification.

Methodology

We have verified the information and data included in the response and the systems and processes used to manage and report these using the following methods:

- Reviewed the response, internal policies, processes, documentation, management and information systems
- Visited headquarter for on-site verification
- Carried out interviews with staffs involved in the response preparation and provision of climate change information and data
- Checked systems, processes and documents referred to in the response
- Followed data trails and checked sample data to greater during on-site visit



Criteria & Protocols used for Verification

This verification was conducted in accordance with the following principles and criteria of greenhouse gas emissions calculation and CDP verification.

- CDP's `2024 CDP Corporate questionnaire - World version
- CDP's 2024 Climate Change Response Guideline - CDP Korea
- CDP's 2024 Climate Change Response Evaluation Methodology - CDP Korea
- CDP Response Verification Guideline - CDP Korea
- ISO14064-1:2018 & ISO 14064-3:2019
- Guidelines on Emission Reporting and Certification of Korea Greenhouse Gas Emissions Trading System
- The WRI/WBCSD GHG Protocol / A Corporate Accounting and Reporting Standard - Revised edition

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Verification Opinion

Level of Assurance

The verification follows limited level of assurance and this verification opinion does not include responsibility for accuracy on the original data provided by LG Magna e-Power Train.

Verification Opinion

As a result of the verification in accordance with the criteria and protocols mentioned above, it is the opinion of BSI that:

- We have concluded that the response provides a fair view of LG Magna e-Power Train's climate change policies, strategies, management systems, operations and performance information.
- The data quality was considered corresponding to the international key principles for GHG emissions verification. No material error, omission or misstatement which would affect unqualified verification opinion was detected.
- The verification was conducted with information, data and evidences provided by LG Magna e-Power Train based on a limited level of assurance. There are unavoidable risks of existence of undiscovered misstatements. Therefore, BSI cannot provide guarantees that further relevant aspects may arise in the future which were not known to us during the verification.

For and on behalf of
BSI:

Managing Director Korea, **SeongHwan Lim**

Issue: 26/09/2024

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