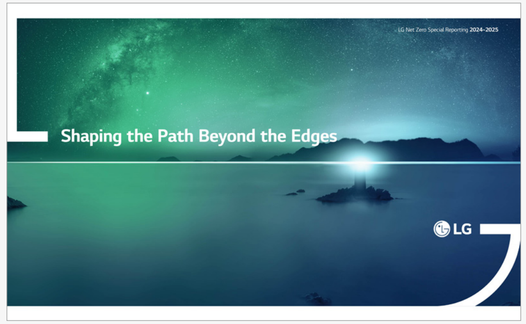
Shaping the Path Beyond the Edges

LG

ABOUT THIS REPORT

Cover Story



Climate change has brought extreme heat waves and cold spells, intense rainfall, and severe droughts. These extremes have created a new climate reality beyond what we have seen before, on the boundary between the familiar and the unfamiliar, the certain and the uncertain.

We need to recognize and reflect on the inherent limitations and contradictions of our carbon-based civilization, and pave the way towards a sustainable future for both the present and future generations.

LG Group is shaping this path, where we look beyond the stark reality of climate change. LG Group will continue to challenge itself to evolve and stay steadfast on the path towards that goal.

To our customers, shareholders, and stakeholders, LG Group pledges to create a sustainable future and deliver unique value for our customers through continuous and genuine actions in pursuit of our Net Zero roadmap.

Overview

LG Group has established a Net Zero integrated roadmap that consolidates and verifies the Net Zero goals of its major affiliates in line with LG Group's own Net Zero implementation standards. This report, the third Net Zero report, presents LG Group's enhanced efforts in carbon reduction and climate disaster response, focusing on climate change mitigation and adaptation. LG Group aims to demonstrate its genuine commitment to delivering on the Net Zero pledges it has made to stakeholders around the world.

Scope of this Report

Net Zero Integrated Roadmap

- Roadmap Timeline: 2022~2050[1]
- Base Year: 2018[2]
- Interim Target: 2030
- Final Target: 2050
- Roadmap Segmentation: 2025~2030 (Affiliate, Business Division, Country, Site)

Participating Affiliates: LG Electronics, LG Display, LG Innotek, LG Chem, LG Energy Solution, LG Household & Health Care, and LG Uplus (as of 2024)

Target Facilities: A total of 233 facilities, including domestic and overseas production sites and R&D campuses of the seven participating affiliates.[3] (excluding certain overseas sales corporations·branches) Scope 1&2 Emissions

Verification

To ensure the objectivity and impartiality of the content in this report, third-party verification was conducted by the Korea Management Registrar (KMR), an independent verification agency with no affiliation to LG Corp.

Application and Reference Criteria

This report is based on the reporting requirements proposed in the Climate Disclosure Standards Board's (CDSB) Climate Change Reporting Framework (CCRF).

Reader's Guide

LG Net Zero Special Reporting 2024-2025 has been published in both a printed report and an interactive PDF format that features functions such as internal page navigation and direct links to related web pages.

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1) The roadmap was initially established in 2022 and revised in 2024.
2) The base year of the national NDC (Nationally Determined Contribution) under the Act on Carbon Neutrality and Green Growth for Coping with Climate Crisis Framework has been applied, though the base year may vary for individual affiliates.
3) All domestic facilities under the Emissions Trading Scheme and Target Management System are included, while certain overseas sales corporations and branches are excluded.

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Snapshot

LG Group is implementing a strategic roadmap toward Net Zero based on economic analysis and risk identification. Our approach systematically advances carbon reduction and renewable energy transition, also strengthening our financial climate risk management framework. LG Group will continue to build a sustainable future through comprehensive execution, encompassing both mitigation and adaptation.

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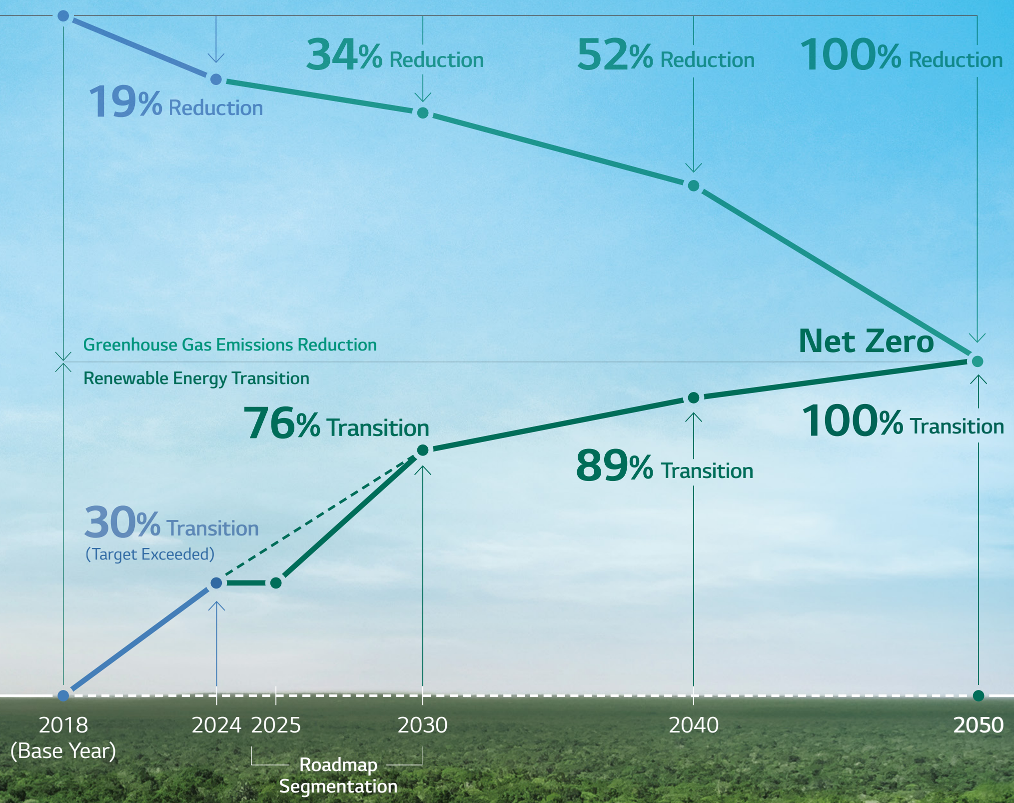
ON OUR PATH TO NET ZERO



LG Group continues to move towards achieving a Net Zero[1] future. The group aims to reduce greenhouse gas emissions compared to the base year by 34% by 2030, while achieving a 76% renewable energy transition rate, and striving for true Net Zero across all business sites by 2050. This year, to ensure more precise execution of its goals, LG Group has segmented its Net Zero pathway for 2025-2030 and established execution strategies and implementation frameworks based on affiliate, business division, country, and site.

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1) The current Net Zero targets and implementation plans cover Scope 1 and Scope 2 emissions.

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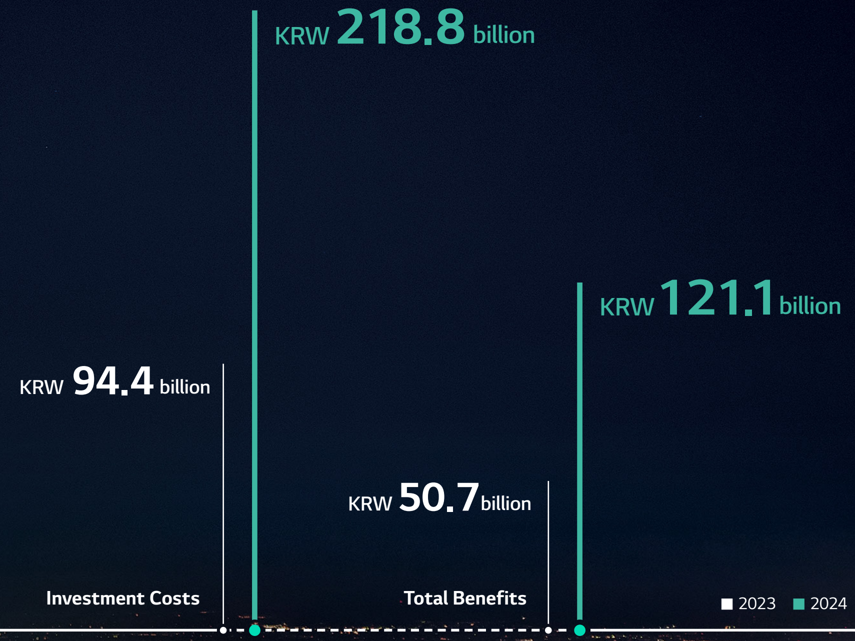
SHAPING VALUE THROUGH STRATEGY



In 2024, LG Group's carbon reduction activities recorded significant growth across both investment and performance. Investment costs by reduction methods more than doubled from KRW 94.4 billion in 2023 to KRW 218.8 billion in 2024. Total benefits, including savings in fuel and electricity costs, avoided purchase of carbon credits, and sales of carbon credits, increased approximately 1.4 times, from KRW 50.7 billion to KRW 121.1 billion. Based on financial data and marginal abatement costs by reduction strategies, the group analyzes investment efficiency and continues to strengthen the foundation for sustainable performance creation.

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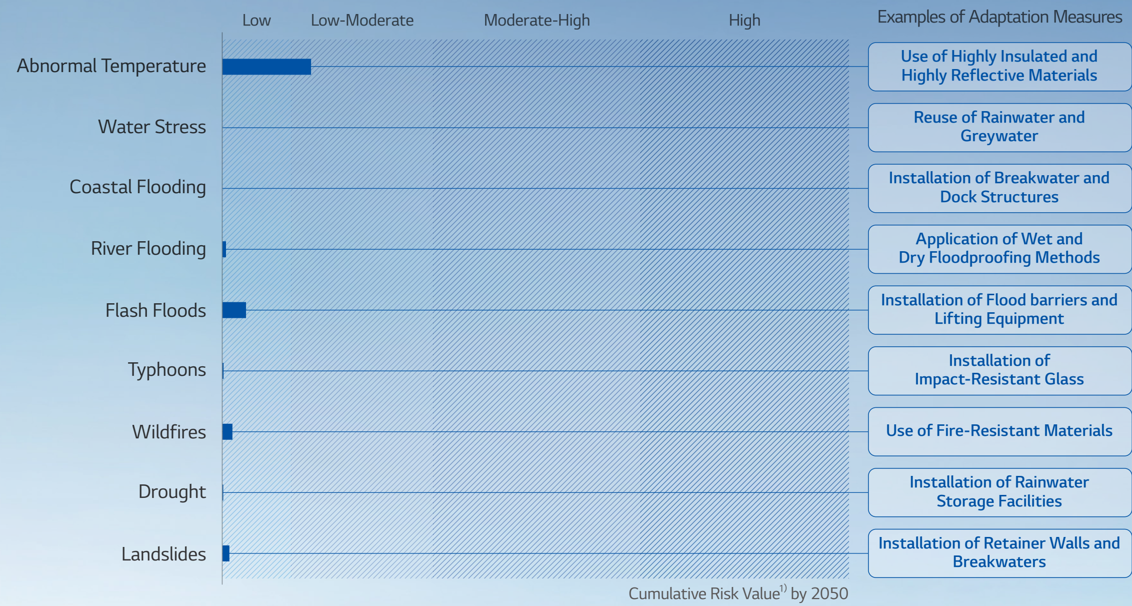

BEYOND RISK, TOWARD ADAPTATION

In accordance with LG Group's climate risk management standards, LG Group assesses the potential financial impacts of various climate-related disasters. Among the nine types of climate disaster, abnormal temperature pose the greatest risk to asset value, while the impacts of flash floods and wildfires are also considerable. To prevent and respond to financial losses caused by such disasters, LG Group has established standards for managing adaptation measures and built a systematic framework for adaptation management. By identifying climate risks and implementing appropriate adaptation measures, LG Group enhances its resilience and ensures proactive response to long-term climate risks.

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1) A quantified indicator developed with reference to the material impact assessment criteria established by the International Auditing and Assurance Standards Board (IAASB).
The indicator represents a quantified ratio (1%, 4%, or 10%) to the asset value of each evaluation target, based on the SSP3-7.0 scenario, reflecting the average risk value of seven participating affiliates.

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Mitigation

LG Group promotes strategic mitigation activities with a focus on emission reduction and renewable energy, integrating economic analysis. The group systematically manages its emissions and renewable energy transition performance, laying the foundation for achieving its mid- to long-term targets through a detailed roadmap. In addition, LG Group has strengthened its carbon reduction execution based on quantitative analysis, including cost-benefit and marginal abatement cost assessments.

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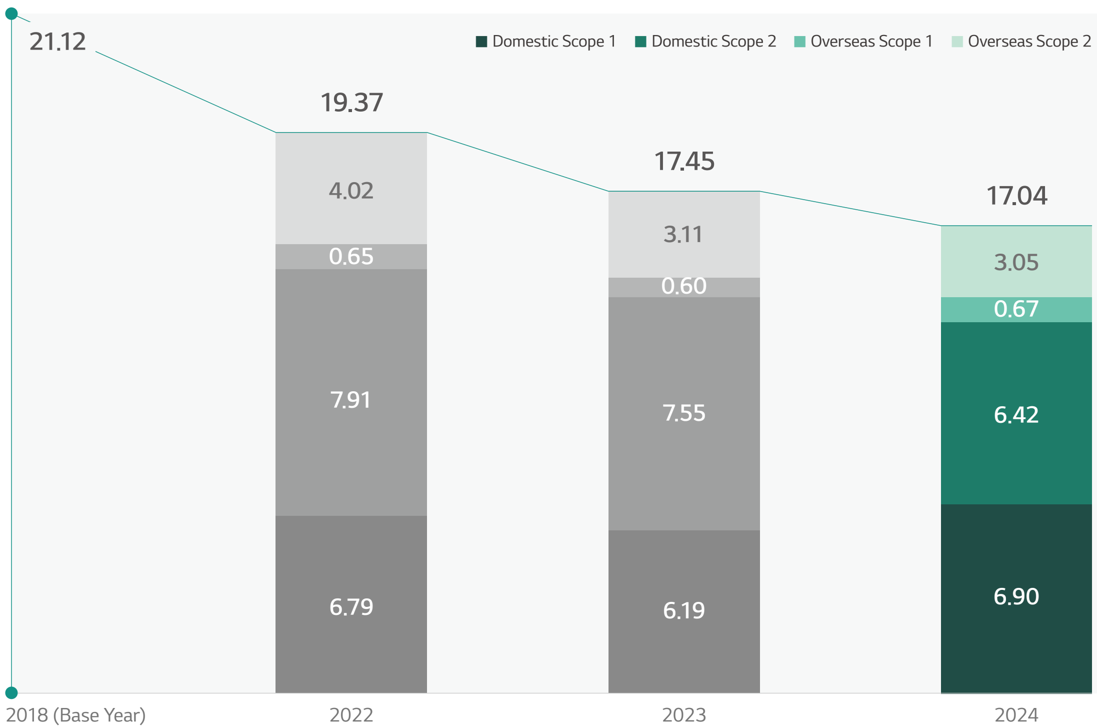
Emissions Reduction

Emission Reduction Performance by LG Group and Affiliates

LG Group is pursuing short-, mid-, and long-term strategies for reducing emissions to achieve their Net Zero by 2050. In 2024, total emissions amounted to 17.04 million tons, representing a decrease of 0.41 million tons (2.4%) compared to the previous year and a reduction of 4.08 million tons (19.3%) compared to 2018. As a result of its reduction methods targeting Scope 1 and Scope 2 emissions across domestic and overseas sites, LG Group has achieved a steady decrease in total emissions over the past three years.

Scope 1 and Scope 2 emissions decreased by 2.29 million tons (23%) and 1.79 million tons (16%) respectively compared to 2018. Scope 2 emissions, in particular, have been reduced by approximately 21%, from 11.93 million tons in 2022 to 9.47 million tons in 2024. This achievement was driven by improving the efficiency of processes and promoting energy-saving activities across all affiliates. Major affiliates including LG Electronics, LG Display, LG Innotek, and LG Energy Solution also play pivotal roles in increasing renewable energy transition rates to meet customer expectations. LG Group will continue to expand its carbon reduction performance in the years ahead.

(Unit: Million tCO_2eq)



Proportion of Scope 1 & Scope 2 Emissions by Affiliates in 2024

Affiliates	Emissions	Scope 1	Scope 2
LG Electronics	0.91 (5.3%)	0.23 (3%)	0.68 (7.2%)
LG Display	3.61 (21.2%)	1.27 (16.8%)	2.34 (24.7%)
LG Innotek	0.27 (1.6%)	0.02 (0.3%)	0.25 (2.6%)
LG Chem	9.35 (54.9%)	5.65 (74.6%)	3.70 (39.1%)
LG Energy Solution	1.47 (8.6%)	0.36 (4.8%)	1.11 (11.7%)
LG Household & Health Care	0.12 (0.7%)	0.03 (0.4%)	0.09 (1.0%)
LG Uplus	1.31 (7.7%)	0.007 (0.1%)	1.30 (13.7%)
Total	17.04 (100%)	7.57 (44.4%)	9.47 (55.6%)

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Emissions Reduction

Proportion of Direct Greenhouse Gas Reduction Measures

In 2024, LG Group achieved a total carbon reduction of 5.39 million tons, including a 1.25-million-ton reduction through various direct reduction activities. This represents a reduction of 0.2 million tons more than in 2023 (1.05 million tons), indicating an expansion of direct reduction performance at the absolute scale. Through reduction measures, the elimination of fluorinated process gases used in LG Display's manufacturing processes accounted for 0.7 million tons (56.4%), the largest share, followed by process optimization across all affiliates, which contributed to 0.48 million tons (38.1%) of reduction.

By affiliate, LG Display achieved the largest reduction, cutting 0.7 million tons through the elimination of process gases, one of the group's direct reduction measures. LG Chem reduced 0.32 million tons through various measures including process optimization, conversion to biofuels and biomaterials, and the utilization of hydrogen. The two affiliates with the largest Scope 1 emissions have been leading direct reduction activities, demonstrating that LG Group's direct reduction methods continues to expand toward innovative technologies such as hydrogen and to transitioning low-carbon fuel. LG Group will systematically manage performance by reduction measures and further enhance its carbon reduction execution capacity through the discovery and application of new technologies.

Direct Reduction Performances in 2024

* Transitioning to electric boilers, adoption of pollution-free vehicles, etc.

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Renewable Energy

Renewable Energy Transition Roadmap

LG Group aims to achieve a renewable energy transition of 76% by 2030, 89% by 2040, and 100% by 2050 across all domestic and overseas sites to address Scope 2 emissions from electricity consumption. The group is pursuing this goal through various means, including the Green Premium programs, renewable energy certificate purchases, Power Purchase Agreements (PPAs), and self-generation. At the affiliate level, LG Energy Solution and LG Innotek, which face higher customer requirements, plan to complete 100% renewable energy transition across all domestic and overseas sites by 2030, while LG Chem is targeting 100% transition, primarily focused on its overseas operations, also by 2030.

Other affiliates are pursuing renewable energy transition methods reflecting overall market conditions, including the regional economic feasibility of renewable energy adoption and fluctuations in electricity prices. They plan to complete 100% renewable energy transition across all sites by 2050. In 2024, LG Group's renewable energy transition rate reached 30%, up 9 percentage points from the previous year (21%), achieving the 2025 target of 30% ahead of schedule. This result displays the group-wide efforts to accelerate renewable energy adoption across all affiliates. LG Group will continue to expand and strengthen renewable energy utilization and introduce high-quality and economically viable renewable energy sources in phases, tailored to regional characteristics.

LG Group's Renewable Energy Transition Performances and Roadmap

※ Figures for 2022–2024 represent actual performance, while figures from 2025 onward indicate roadmap targets.
* The 2024 target was set at 24%, achieving an overperformance of 6%.
** No overseas operations

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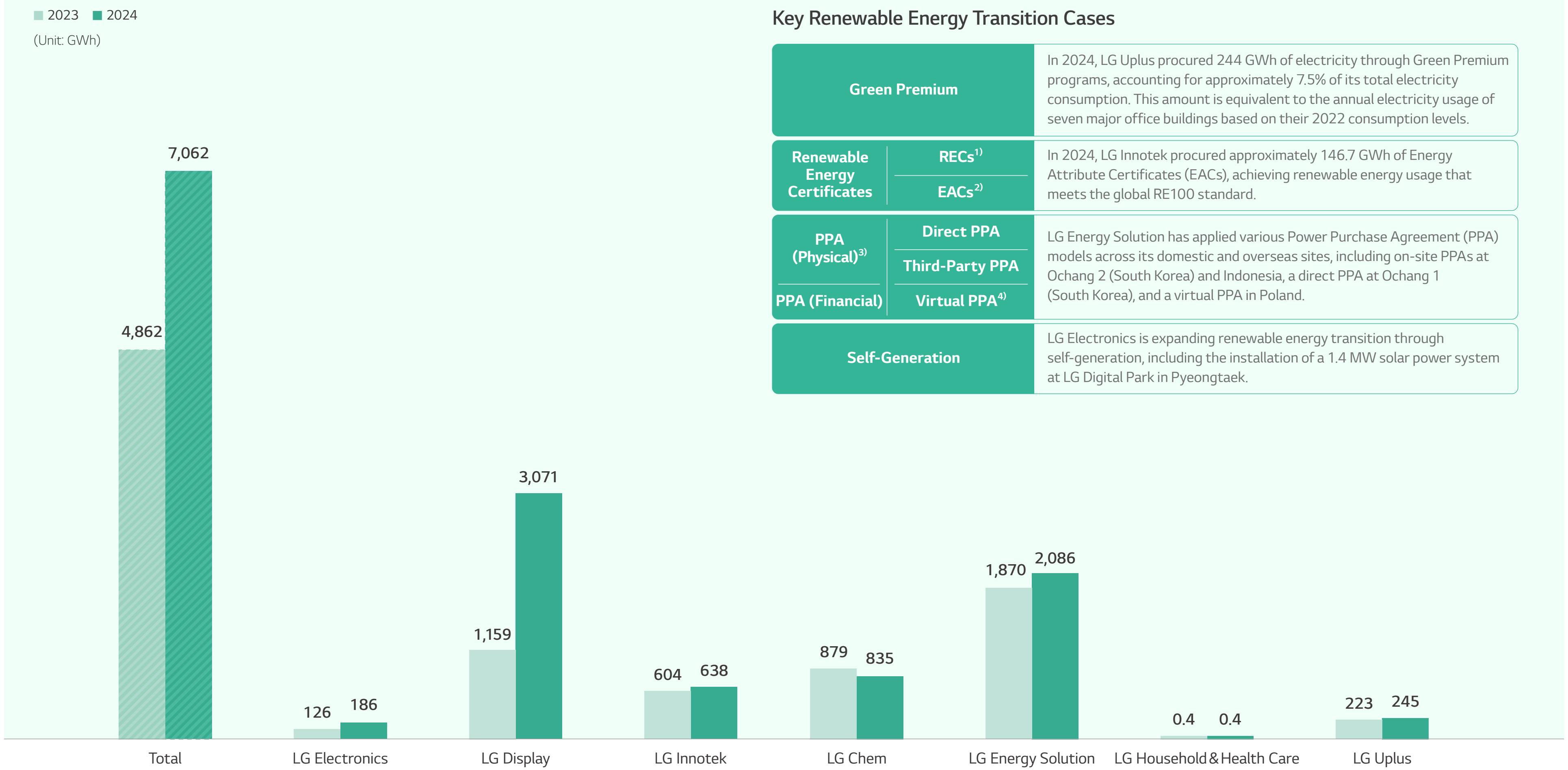
Renewable Energy

Performance and Key Cases of Renewable Energy Transition Measures



Key Renewable Energy Transition Cases

Green Premium		In 2024, LG Uplus procured 244 GWh of electricity through Green Premium programs, accounting for approximately 7.5% of its total electricity consumption. This amount is equivalent to the annual electricity usage of seven major office buildings based on their 2022 consumption levels.
Renewable Energy Certificates	RECs[1] EACs[2]	In 2024, LG Innotek procured approximately 146.7 GWh of Energy Attribute Certificates (EACs), achieving renewable energy usage that meets the global RE100 standard.
PPA (Physical)[3] PPA (Financial)	Direct PPA Third-Party PPA Virtual PPA[4]	LG Energy Solution has applied various Power Purchase Agreement (PPA) models across its domestic and overseas sites, including on-site PPAs at Ochang 2 (South Korea) and Indonesia, a direct PPA at Ochang 1 (South Korea), and a virtual PPA in Poland.
Self-Generation		LG Electronics is expanding renewable energy transition through self-generation, including the installation of a 1.4 MW solar power system at LG Digital Park in Pyeongtaek.

1) Renewable Energy Certificates (RECs) are among the most widely used renewable energy certification systems in Korea. Certificates are issued to power producers for renewable energy generation, and companies purchasing RECs are officially recognized as using renewable energy.
2) Energy Attribute Certificates (EACs) are international systems that certifies the generation and consumption of renewable electricity, serving as evidence that the electricity used by companies has been produced from renewable sources.
3) Physical Power Purchase Agreements (PPAs) are contracts under which electricity consumers purchase renewable energy from power generators over a fixed period. They are categorized into Direct PPAs, where consumers contract directly with power generators, and Third-Party PPAs, where contracts are arranged through power intermediaries.
4) Virtual Power Purchase Agreements (VPPAs) are representative financial-type PPAs. Electricity is supplied through the existing power grid, while financial contracts with renewable energy generators are used to hedge against price fluctuations and have renewable energy usage officially recognized.

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Economic Impact Analysis

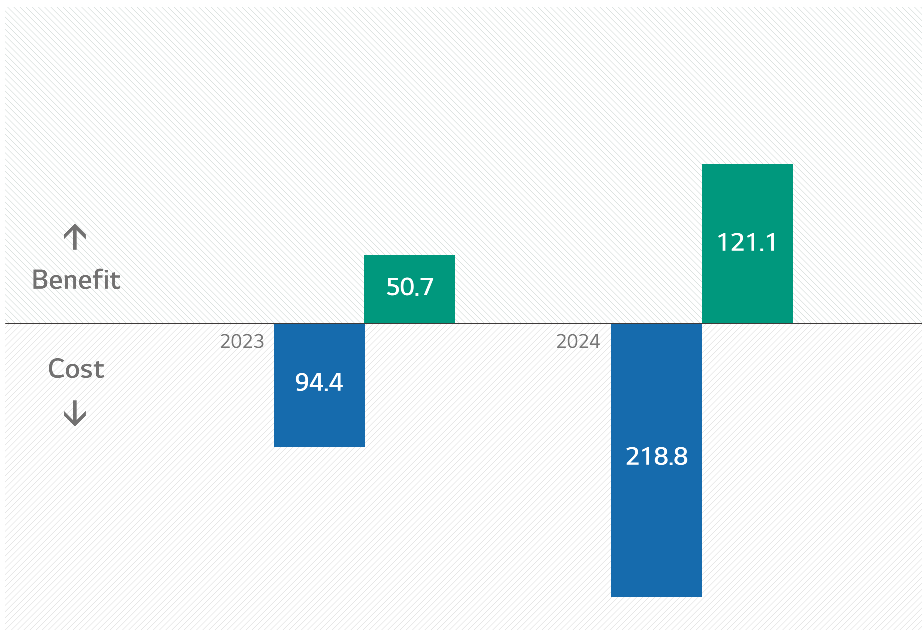
Cost-Benefit Analysis

To achieve long-term future emission reduction capability, LG Group more than doubled its carbon reduction investments in 2024 compared to the previous year, focusing on innovative technologies such as renewable energy, hydrogen, and biomass adoption. This demonstrates the group's devotion toward strengthening future reduction capacity beyond short-term efficiency gains. In addition, LG Group enhanced the accuracy of its calculations through continuous monitoring of reduction measures and in-house data analysis on carbon credit prices and exchange rate trends. Building on this, the group is striving to achieve a balanced approach between short-term profitability and long-term future emission reduction capability.

In 2024, the energy-saving effects were further expanded as investments in renewable energy transition and hydrogen, biofuels and biomaterials conversion were implemented. The changes in benefit structure in 2024 show energy cost savings from fuel transition and related measures rose from KRW 15.5 billion to KRW 48.8 billion. Although revenues from carbon credit sales decreased compared to the previous year, the avoidance of carbon credit purchases increased in scale due to the expansion of direct emission reduction activities. This indicates a shift in focus from transaction-based approaches to actual emission reductions. It reflects LG Group's reduced reliance on the carbon credit market, as well as the enhanced sustainability and financial stability of its emission reduction activities.

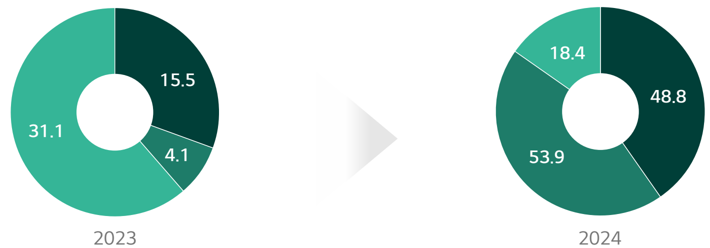
Two-Year Analysis of Investment Costs and Total Benefits

Cost / Benefit (Unit: KRW Billion)



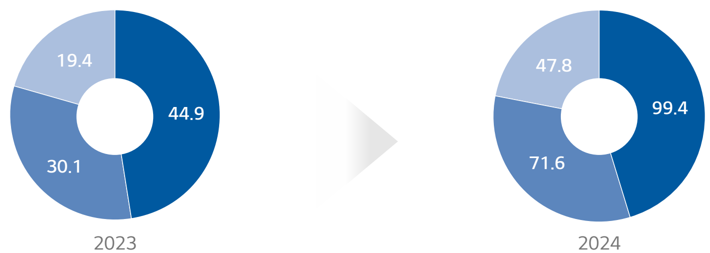
Two-Year Analysis of Benefit Structure

Fuel and Electricity Cost Savings / Avoidance of Carbon Credit Purchases / Sales of Carbon Credits (Unit: KRW Billion)



Two-Year Analysis of Investment Costs by Reduction Methods

Process Optimization/Fuel Conversion / Innovative Future Technologies (Hydrogen) / Renewable Energy (Unit: KRW Billion)



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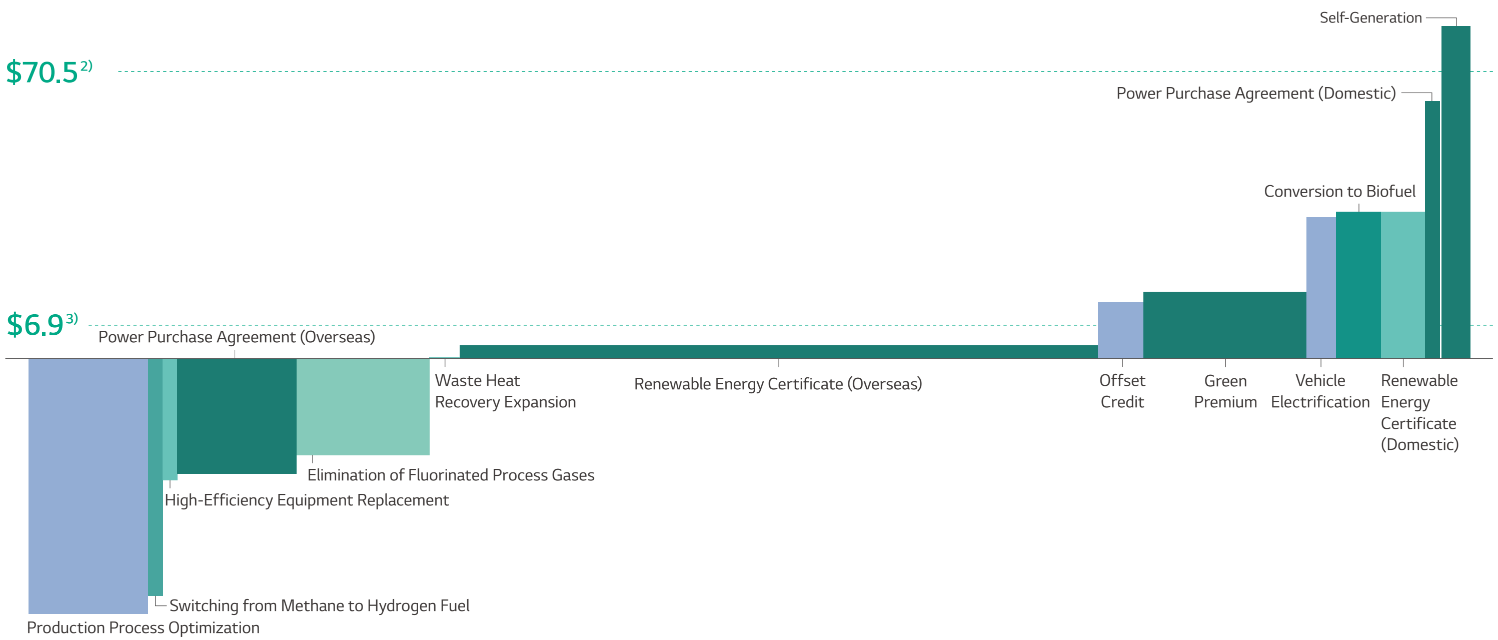
Economic Impact Analysis

Marginal Abatement Cost

Building upon the cost-benefit analysis of LG Group's Net Zero roadmap, we are further advancing our approach by incorporating Marginal Abatement Cost (MAC) assessments into our greenhouse-gas reduction implementation strategy. To achieve this, the group calculated the MAC for its seven major affiliates. The calculation comprehensively considered the investment and operating costs, as well as the expected greenhouse gas reduction potential for each reduction measure through 2030.

A total of approximately 470 emission reduction projects were reviewed in calculating the MAC, including the elimination of fluorinated process gas, production process optimization, conversion to biofuel as well as renewable energy and low-carbon fuel transitions. In particular, the analysis of the renewable energy transition was refined by subdividing measures and regions to ensure greater granularity and accuracy. Based on regional carbon credit price comparisons, LG Group will prioritize economically viable reduction measures and seek long-term cost and technology improvements for those currently limited in feasibility.

Marginal Abatement Cost Curve (MACC)[1)]



Detailed Items by Reduction Measures

Elimination of Process Gases
- Elimination of Fluorinated Process Gases

Process Optimization
- High-Efficiency Equipment Replacement
- Waste Heat Recovery Expansion

Low-Carbon Fuel Transition
- Switching from Methane to Hydrogen Fuel

Conversion to Biofuel and Materials
- Conversion to Biofuel

Renewable Energy Transition
- Power Purchase Agreement (Domestic)
- Renewable Energy Certificate (Domestic)
- Self-Generation
- Power Purchase Agreement (Overseas)
- Renewable Energy Certificate (Overseas)
- Green Premium

Others
- Production Process Optimization
- Vehicle Electrification
- Offset Credit

1) In the marginal abatement cost curve (MACC), the x-axis represents emission reduction volume by measures and the y-axis represents the marginal abatement cost per ton; specific figures for each measure are not disclosed.
2) Average EU Emission Trading System (ETS) carbon price in 2024
3) Average Korea Emission Trading System (K-ETS) carbon price in 2024

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Net Zero Roadmap Management

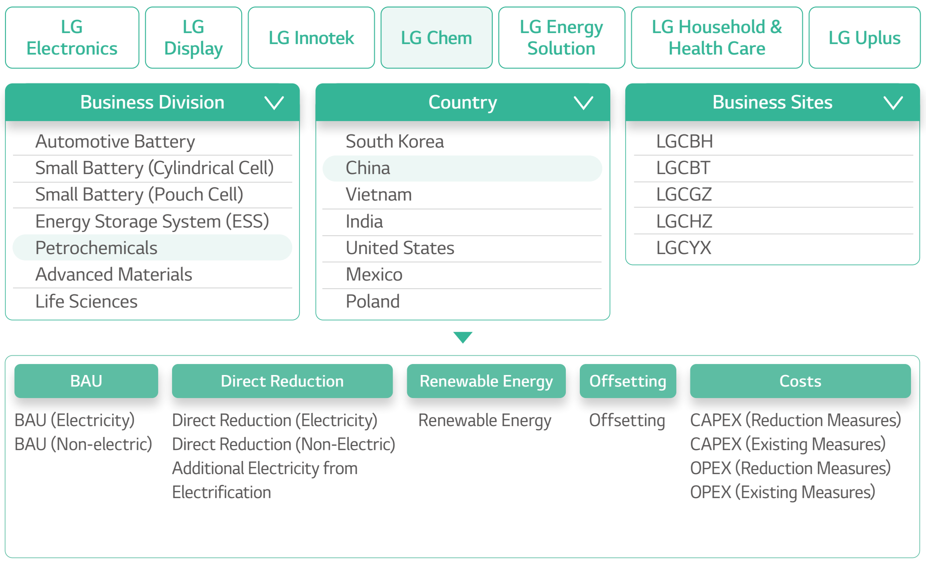
Roadmap Segmentation and Performance Monitoring

This year, LG Group segmented its 2025–2030 Net Zero pathways by affiliate, business division, country, and site to ensure the strategic operation of its Net Zero roadmap with consideration for cost efficiency. This process enabled a detailed review of each sector, region, and facility, establishing a foundation for strategic Net Zero implementation that integrates cost efficiency and business characteristics into execution planning.

In addition, LG Group has built a function within its ESG IT system that enables the real-time management of carbon emissions, renewable energy transition performance, and reduction activities by affiliate which allows the group to monitor Net Zero progress, track each affiliate's reduction targets, and ensure efficient execution. Through this system, LG Group continuously advances its Net Zero roadmap, analyzes and tracks performance trends, enhances the efficiency of reduction pathways, and informs data-driven strategic decisions.

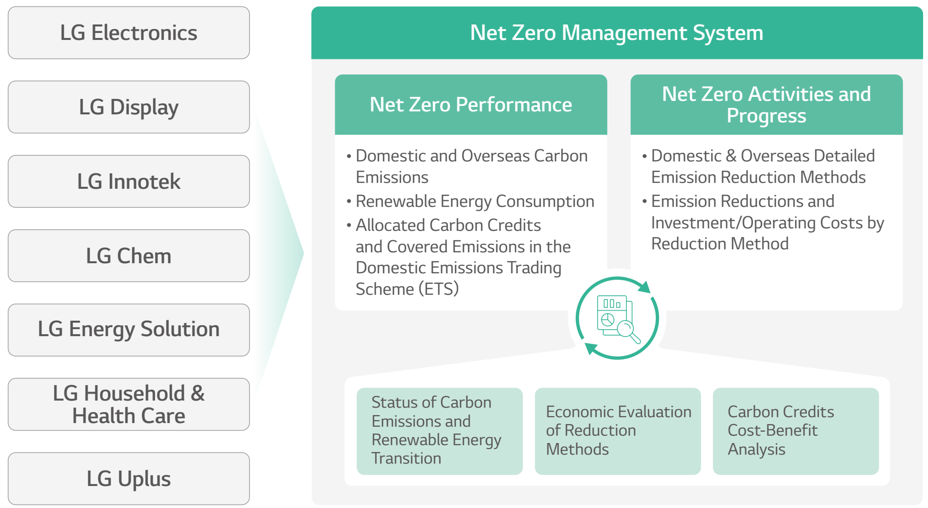
Roadmap Segmentation

- Segmented the 2025-2030 Net Zero pathways by affiliate, business division, country, and site.
- Enhanced the precision of emission management by refining affiliate- and year-specific targets.
- Clarified reduction performance by sector and strengthened the foundation for strategic planning.



Establishment of the Net Zero Management System

- Real-time monitoring of carbon emissions and renewable energy transition performance by affiliate, both domestic and overseas.
- Ensuring and enhancing data reliability and validity through data verification functions.
- Managing quantitative reduction outcomes through analysis of carbon credit status and cost-benefit performance.



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Adaptation

In accordance with LG Group's climate risk management standards, which reflect international guidelines, LG group analyzes the potential financial impacts of climate-related disasters such as abnormal temperature and flash floods. Based on these assessments, we plan to establish adaptation standards referencing the UNDRR[1)] framework to systematically implement response measures tailored to our business environment. We will continue to strengthen our adaptation strategies to proactively prevent and effectively respond to climate risks.

1) United Nations Office for Disaster Risk Reduction

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Risk Management

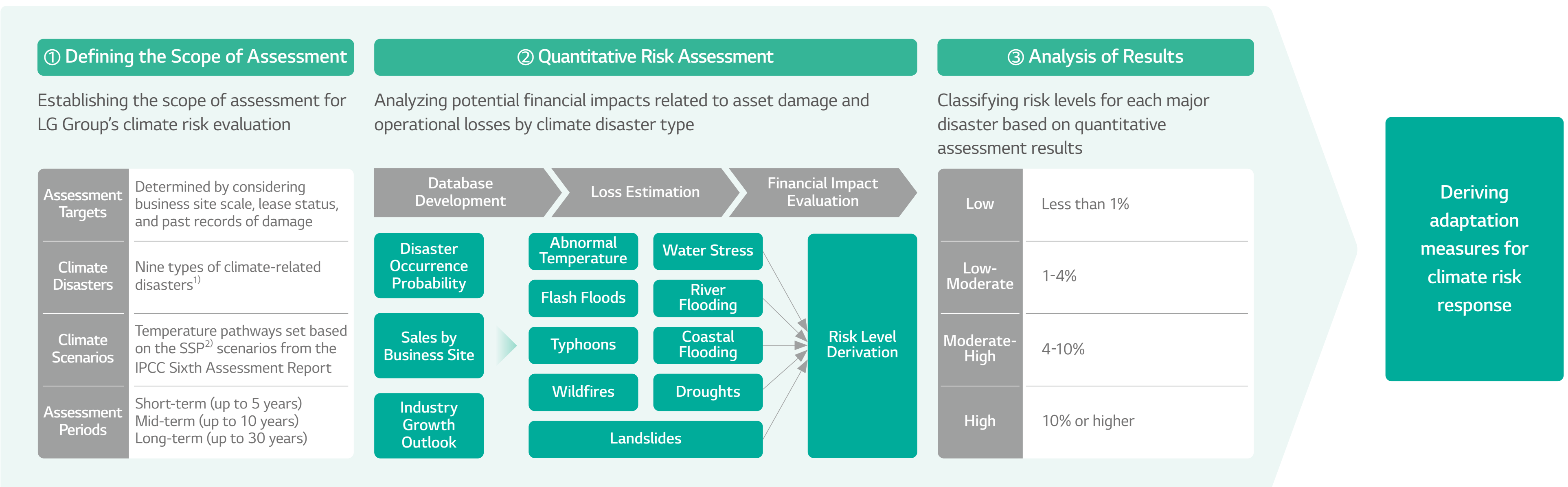
Climate Risk Response and Management

LG Group has established a climate risk management standard aligned with international frameworks such as the IPCC[1], ISSB[2], and WBCSD[3] to ensure consistency and comparability in risk assessments across affiliates. This standard defines assessment scopes considering climate-related disasters, scenario settings, as well as evaluation periods, and integrates methodologies for analyzing potential financial impacts by target. When analyzing results, risk levels are classified into four tiers: low, low-moderate, moderate-high, and high for each major disaster.

1) Intergovernmental Panel on Climate Change
2) International Sustainability Standards Board
3) World Business Council for Sustainable Development

LG Group analyzed climate risks across its major business sites using this standard and found that damage from abnormal temperature was the most significant, followed by flash floods. Based on these assessment results, the group reviews each site's status of response by disaster type, classifies adaptation measures according to regional and site characteristics, and defines specific adaptation actions for systematic management. Through this comprehensive management standard, we aim to enhance organizational resilience and proactively respond to long-term climate risks.

Climate Risk Management Standard



1) Abnormal temperature, water stress, flash floods, river flooding, typhoons, coastal flooding, wildfires, droughts, landslides
2) Shared Socioeconomic Pathways

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Climate Adaptation

Climate Adaptation Measures

LG Group manages its adaptation measures at the same level as its Net Zero reduction methods. To this end, we established a group-wide management standard for managing adaptation measures. The standard was developed with reference to classification systems and technical guidelines from government ministries and international organizations such as the UNDRR, UN CTCN[1], EPA[2], EEA[3], Caltrans[4]. It categorizes climate disaster response measures and methods into four levels: major category, mid-category, sub-category, and individual measures.

1) UN Climate Technology Centre and Network
2) United States Environmental Protection Agency
3) European Environment Agency
4) California Department of Transportation

Each affiliate implements response measures tailored to its business characteristics based on this standard. Affiliates have established response manuals, operate emergency response systems, and conduct regular drills to address physical risks. Manuals for responding to climate disasters have also been developed, and disaster prevention infrastructure is being strengthened through upgrades to key facilities. LG Group will further advance its response measures to proactively address climate risks tailored to regional environments.

Adaptation Measure Management Standard

Structured Measures	Facility and Infrastructure-Based Measures	Adaptation measures involving engineered infrastructure are built with materials such as concrete, steel, and asphalt, applied to strengthen resilience against typhoons, wildfires, and floods, and to enhance water management amid droughts and water stress.
	Ecosystem-Based Measures	Adaptation measures that combine vegetation and structural elements or create green spaces by utilizing ecosystem functions and services, mainly applied to improve thermal conditions against heat waves and wildfires, and to enhance water management during floods.
Non-Structured Measures	Institutional and Management-Based Measures	Adaptation measures applicable to all types of climate-related disasters that focus on institutional and managerial approaches, such as supporting insurance enrollment or establishing group-level management systems, rather than installing physical structures, such as facilities or vegetation.

Key Adaptation Measures by Affiliate

LG Electronics

- Reinforcing facilities and improving disaster prevention infrastructure in areas vulnerable to climate disasters, developing and conducting emergency response protocols.
- Implementing dual sourcing within inventory management strategies and supplier diversification to mitigate supply chain disruptions from physical disasters.

LG Innotek

- Developing heat wave response manuals and ensuring energy supply stability through peak demand control.
- Developing typhoon and flood response manuals and strengthening special safety inspections during the summer season.

LG Chem

- Reinforcing on-site emergency response plans and management based on climate scenarios.
- Expanding rest periods and welfare facilities to prevent occupational health and safety incidents.

LG Uplus

- Installing flood barriers and platforms to prevent or minimize flood risk to equipment.
- Establishing an emergency communication system, implementing a network quality maintenance framework, and securing disaster response equipment.

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Clean Tech

Since 2022, the major affiliates of LG Group have been pursuing various R&D strategies and business initiatives in clean technology, including the development of carbon reduction technologies, the advancement of recycling technology for waste plastics and batteries, and the development of eco-friendly bio-based materials.

These clean tech investment and development initiatives align with K-Taxonomy* standards and serve as a core strategy for achieving sustainable growth and securing future competitiveness.

Clean Tech	K-Taxonomy: Environmental Objectives		Green Economic Activities
LG Electronics leads the global market in applying high-efficiency inverter-based HVAC (Heating, Ventilation, and Air Conditioning) solutions across various industries, including data centers, semiconductor plants, and smart aquaculture facilities. These solutions enhance energy efficiency and contribute to reducing carbon emissions.	Green Area	Common	**Manufacture of Innovative Items** Activities involving the establishment and operation of facilities that produce innovative items under the green taxonomy, classified as the production of intelligent HVAC systems.
LG Chem continues to expand its investment in cathode materials within the battery materials business. The cathode materials plant under construction in Tennessee, U.S., has an annual production capacity of 60,000 tons. It is scheduled to supply materials for approximately 600,000 high-performance electric vehicles starting in 2026. In addition, the company contributes to the re-circulation of resources by producing recycled cathode materials of equivalent quality using intermediate materials recovered from spent batteries.	Green Area	Common	**Manufacture of Materials, Parts and Equipment of Innovative Items** Activities involving the establishment and operation of facilities that produce materials, parts, and equipment required for innovative items under the green taxonomy, classified as cathode material production used in lithium-ion, automotive, and ESS batteries.
LG Uplus operates an eco-friendly urban data center in Pyeongchon, South Korea, which combines environmental sustainability, high efficiency, and high availability to minimize energy loss and reduce carbon emissions. The company has introduced renewable energy systems such as solar power generation facilities and geothermal heat pumps to improve energy management efficiency and strengthen its sustainable operational framework.	Green Area	Greenhouse Gas Reduction	**Establishment and Operation of Low-Carbon Internet Data Center** Activities involving the establishment and operation of new internet data centers or the installation of greenhouse gas reduction facilities and systems for retrofitting existing ones, which are certified as Green Data Centers.

* A Korean Green Taxonomy that defines and classifies environmentally sustainable economic activities by industry.

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Scope 1, 2 Emissions

(Unit: Thousand tCO_2eq)

Affiliate	2023 Total	2023 Domestic Scope 1	2023 Domestic Scope 2	2023 Overseas Scope 1	2023 Overseas Scope 2	2024 Total	2024 Domestic Scope 1	2024 Domestic Scope 2	2024 Overseas Scope 1	2024 Overseas Scope 2
Total	17,448	6,192 (36%)	7,547 (43%)	604 (3%)	3,105 (18%)	17,035	6,892 (40%)	6,385 (38%)	675 (4%)	3,083 (18%)
LG Electronics	874	75 (9%)	217 (25%)	134 (15%)	448 (51%)	907	77 (9%)	226 (25%)	148 (16%)	455 (50%)
LG Display	4,303	953 (22%)	2,342 (55%)	103 (2%)	904 (21%)	3,613	1,189 (33%)	1,407 (39%)	82 (2%)	936 (26%)
LG Innotek	243	19 (8%)	186 (76%)	2 (1%)	36 (15%)	271	21 (8%)	214 (78%)	2 (1%)	34 (13%)
LG Chem	9,036	5,032 (56%)	3,040 (33%)	145 (2%)	819 (9%)	9,352	5,492 (59%)	2,818 (30%)	161 (2%)	880 (9%)
LG Energy Solution	1,493	68 (4%)	309 (21%)	219 (15%)	897 (60%)	1,468	73 (5%)	335 (23%)	282 (19%)	778 (53%)
LG Household & Health Care	125	38 (30%)	88 (70%)	-	-	119	33 (28%)	86 (72%)	-	-
LG Uplus	1,373	8 (1%)	1,365 (99%)	-	-	1,306	7 (1%)	1,299 (99%)	-	-

※ Calculated based on the market-based emissions of the seven affiliates
* Rounding adjustments may cause discrepancies between the sum of parts and the total sum

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Scope 3 Emissions

(Unit: Thousand tCO_2eq)

	Category	LG Electronics	LG Display	LG Innotek	LG Chem	LG Energy Solution	LG Household & Health Care	LG Uplus
Total		72,759.6	2,846.8	1,060.8	19,260.5	7,992.1	242.8	504.4
Upstream	1. Purchased Goods & Services	2,468.4	632.9	846.2	14,143.6	5,883.9	136.5	180.9
Upstream	2. Capital Goods	287.9	91.9	50.4*	162.9	1,146.3*	-	102.0
Upstream	3. Fuel- and Energy-related Activities (not included in Scope 1 or Scope 2)	151.5	501.5	58.1	339.3	258.0	8.6	109.2
Upstream	4. Upstream Transportation & Distribution	1,363.3	73.8	57.0	515.3	145.6	-	36.1
Upstream	5. Waste Generated in Operations	10.6	19.4	3.1	131.5*	20.2	4.3	1.5
Upstream	6. Business Travel	78.3	6.6	4.5	4.3*	14.2	-	2.0
Upstream	7. Employee Commuting	82.5	-	5.8	10.3*	13.2	0.9	6.5
Upstream	8. Upstream Leased Assets	90.8	-	0.1*	-	-	-	-
Downstream	9. Downstream Transportation & Distribution	-	-	35.5	677.4*	-	-	-
Downstream	10. Processing of Sold Products	39.2	7.8	-	-	-	-	-
Downstream	11. Use of Sold Products	65,061.9	1,456.5*	-	596.7*	-	-	27.2
Downstream	12. End-of-Life Treatment of Sold Products	1,220.2	3.2*	-	2,435.1*	510.6	90.9	0.6
Downstream	13. Downstream Leased Assets	3.0	53.2	-	-	-	1.3	-
Downstream	14. Franchises	N/A	-	-	-	-	-	5.7
Downstream	15. Investments	1,902.1	-	-	244.0*	-	0.3	32.5

※ Calculated according to each affiliate's calculation standards (The emissions in this table are based on 2024 data, and '-' indicates exclusion from the calculation scope. Data for 2023 can be found in the 2023 LG Net Zero Report.)
* Rounding adjustments may cause discrepancies between the sum of parts and the total sum

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Renewable Energy Transition Status

(Unit: GWh)

Affiliate	2023			2024		
	Total Electricity Consumption	Renewable Energy Consumption	Renewable Energy Transition Rate*	Total Electricity Consumption	Renewable Energy Consumption	Renewable Energy Transition Rate*
Total	23,401	4,862	21%	23,660	7,062	30%
LG Electronics	1,248	126	10%	1,295	186	14%
LG Display	7,734	1,159	15%	7,974	3,071	39%
LG Innotek	991	604	61%	1,078	638	59%
LG Chem	6,722	879	13%	6,348	835	13%
LG Energy Solution	3,323	1,870	56%	3,709	2,086	56%
LG Household & Health Care	174	0.4	0.2%	170	0.4	0.2%
LG Uplus	3,209	223	6.96%	3,086	245	8%

* Renewable energy consumption compared to total annual electricity consumption

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Net Zero Target Scope

Affiliate	Emission sources	Domestic	Domestic, other	Overseas	Overseas, other
LG Electronics	Scope 1, Scope 2 (Electricity / Heat)	Includes domestic corporate HQ, all production sites, R&D campuses, and logistic centers	-	Includes production sites, manufacturing and sales corporations, and R&D campuses	-
LG Display			-		-
LG Innotek			-		-
LG Chem			-	Includes production sites	Only includes production corporations for which it owns more than 50% of shares
LG Energy Solution			-	Includes production sites and joint ventures	-
LG Household & Health Care			Only includes domestic production sites LG Household & Health Care, Coca Cola, Haitai HTB	Excluded	-
LG Uplus			Includes domestic network equipment, all domestic regions domestic companies and Internet Data Centers (IDC)	None	-

* (As of 2024) A total of 233 facilities were subject to analysis, excluding overseas sales corporations and branches with minimal emissions, among all global production sites, R&D campuses, sales corporations, and branches across seven affiliates.

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Independent Assurance Statement

To readers of LG Net Zero Special Reporting 2024-2025

Introduction

Korea Management Registrar (KMR) was engaged to conduct an independent assurance of LG Net Zero Special Reporting 2024-2025. The preparation, information and internal control of the report are the sole responsibility of LG's the management. KMR's responsibility is to comply with the agreed engagement and express an opinion to LG's management.

Subject Matter

The reporting boundaries included the performance and activities of sustainability-related organizations as described in LG's report:
- LG Net Zero Special Reporting 2024-2025

Reference Standard

- the disclosure requirements proposed by the Climate Change Reporting Framework (CCRF)

Assurance criteria

KMR applied the quality management system in accordance with ISO 17029 and KMR EDV 01, and carried out the verification in accordance with the assurance criteria of KMR's proprietary SRV1000. Under SRV1000, we conducted a multidimensional review aimed at zero data errors, applying expert judgment to determine the materiality criteria.
- ISO 17029 : 2019, ISO 14065 : 2020, SRV1000 : 2022 (KMR), KMR EDV 01 : 2024 (KMR)
- Levels of assurance/materiality: limited/ not set

Scope of assurance

- Disclosure requirements of "strategic analysis" proposed by CCRF
  - the impact of climate change on the organization's long-term and short-term strategic objectives,
  - the organization's long-term and short-term strategies, including greenhouse gas emissions reduction, to address climate change,
  - the implications of climate change issues on the organization's business strategy and a description of the way in which management has applied the requirements on its decision-making,
  - details of the current and future financial implications associated with climate change strategies, risks, and greenhouse gas emissions, and
  - the information that is used internally for decision-making purposes of the company's strategy, goals, and objectives and what is provided externally.

As for the reporting boundary, the engagement excludes the data and information of LG's partners, suppliers, and any third parties.

KMR's Approach

Our Assurance Team undertook the following activities for the agreed scope of assurance using the standards outlined above:
- reviewing the understandability and verifiability of the net zero roadmap and strategies described in the Report,
- reviewing the compliance with the disclosure requirements,
- checking the organizational boundaries set by seven participating affiliates and the scope of operational control,
- reviewing the reliability of the greenhouse gas emissions disclosed by the participating affiliates, and
- interviewing people in charge of preparing the Report.

Limitations and Recommendations

The absence of generally accepted reporting frameworks or well-established practices on which to draw to evaluate and measure non-financial information allows for different measures and measuring techniques, which can affect comparability between entities. Therefore, our assurance team relied on professional judgment. In a limited assurance engagement, the scope of the risk assessment procedures and the subsequent procedures performed in response to the assessed risks are limited than in a reasonable assurance engagement. Our assurance team conducted our work to a limited extent through inquiries, analysis, and limited sampling based on the assumption that the data and information provided by LG are complete and sufficient. To overcome these limitations, we confirmed the quality and reliability of the information by referring to independent external sources and public databases, such as DART and the National GHGs Management System (NGMS).

Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with LG on the revision of the Report. We reviewed the Report's final version in order to make sure that our recommendations for improvement and revision have been reflected. We found that the report was prepared with reference to the criteria presented by LG, and nothing comes to our attention to suggest that the evidence obtained regarding its content is insufficient to provide a basis for our opinion. Furthermore, the assurance team performed a reliability assurance on the economic, environmental, and social information related to specific sustainability performance, and found no intentional errors or misstatements in the sustainability performance information.

KMR's Competence, Independence, and Quality Control

Korea Management Registrar (KMR) is a verification body for the Republic of Korea Emissions Trading Scheme (K-ETS), accredited to ISO/IEC 17029:2019 (Conformity Assessment - General principles and requirements for validation and verification bodies), ISO 14067, the additional accreditation criteria ISO 14065, and ISO/IEC 17021:2015 (Requirements for bodies providing audit and certification of management systems). Additionally, KMR maintains a comprehensive quality control system that includes documented policies and procedures of the KMR EDV 01:2024 (ESG Disclosure Assurance System) based on ISO/IEC 17029 requirements and compliant with IAASB ISQM1:2022 (International Standard on Quality Management 1 by the International Auditing and Assurance Standards Board). Furthermore, KMR adheres to the ethical requirements of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior in accordance with the IESBA Code:2023 (International Code of Ethics for Professional Accountants). Our assurance team consists of sustainability experts. Other than providing an independent assurance, KMR has no other contract with LG and did not provide any services to LG that could compromise the independence of our work.

Limitations of Use

This assurance statement is made solely for the management of LG for the purpose of enhancing an understanding of the organization's sustainability performance and activities. We assume no liability or responsibility for its use by third parties other than the management of LG. As this assurance statement may be subject to revision after the assurance date below, we recommend verifying whether this is the latest version.

October 20, 2025
CEO Hwang Eun-ju

Korea Management Registrar

SRV1000 Sustainability Committee Assurance

E. J Hwang

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