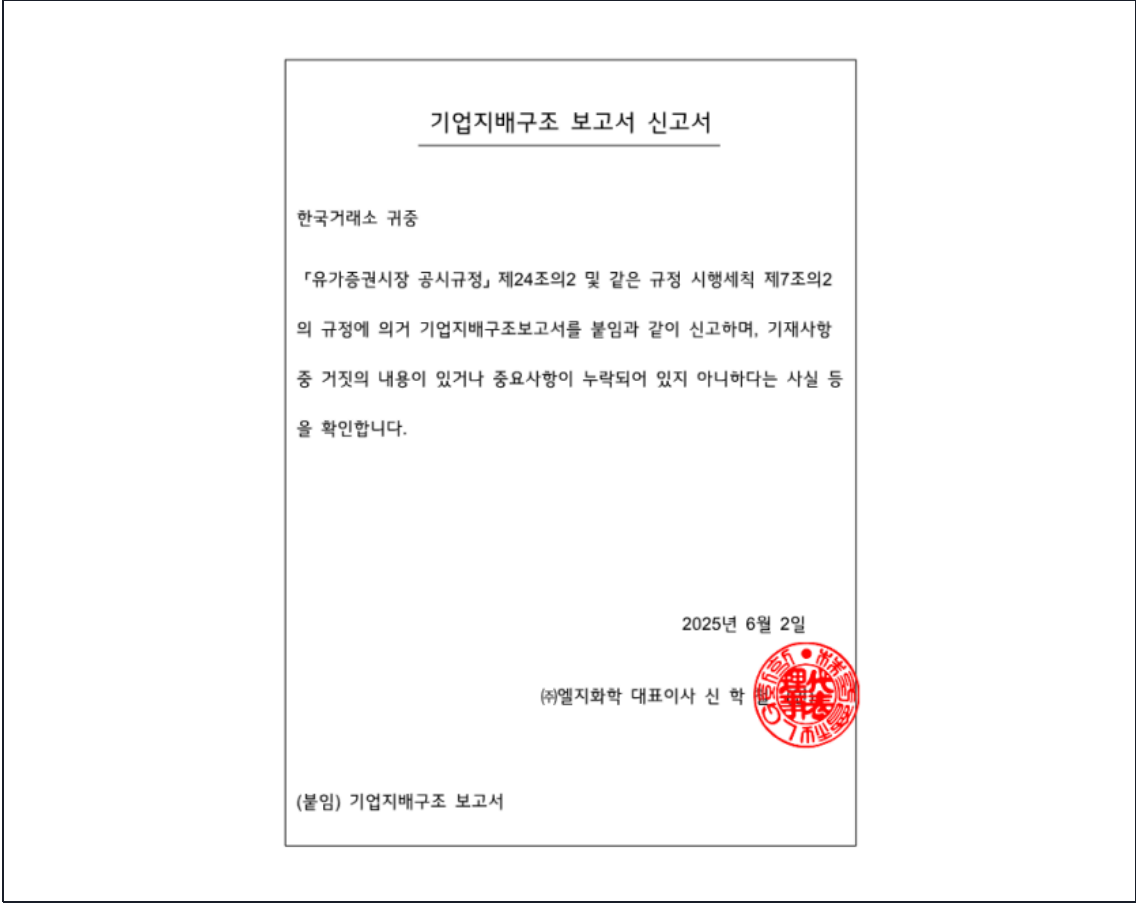


Details of Corporate Governance Report

[000001] Corporate Governance Report

Corporate governance report document



[000002] I. Company Overview

1. Company name

LG Chem

2. Period subject to disclosure and report generation date:

Start date of the period subject to disclosure 2024-01-01

End date of the period subject to disclosure 2024-12-31

Report generation date 2025-06-02

2-1. Fiscal periods from the current year to the year before last

Category	Current year	Previous year	Year before last
Start date	2024-01-01	2023-01-01	2022-01-01
End date	2024-12-31	2023-12-31	2022-12-31

3. Persons preparing Corporate Governance Report

Person in Charge of Disclosure		Working-level staff in charge	
Name :	Kyung-suk Kim	Name :	Yong-kyu Lee
Position :	Vice President	Position :	Professional
Department :	Investor Relations	Department :	Investor Relations Team

Person in Charge of Disclosure		Working-level staff in charge	
Phone number :	+82-2-3773-1114	Phone number :	+82-2-3773-1114
E-mail :	irteam@lgchem.com	E-mail :	irteam@lgchem.com

4. Table 1-0-0: Company Overview

Largest shareholder, etc.	LG Corp. and 1 person	Share percentage of largest shareholder, etc.(%)	31.54
		Share percentage of minority shareholders(%)	59.05
Business type (Financial/Non-financial)	비금융(Non-financial)	Major products	ABS, rechargeable battery materials, et c.
Business group as per the Monopoly Regulation and Fair Trade Act ("Fair Trade Act")	O	Subject to the Act on the Management of Public Institutions	X
Business group name	LG		
Summary of Financial Status (Unit: KRW 1 million)			
Category	Current year	Previous year	Year before last
(Consolidated) Revenue	48,916,104	55,249,785	50,983,251
(Consolidated) Operating income	916,798	2,529,196	2,979,354
(Consolidated) Net income	515,011	2,053,425	2,195,518
(Consolidated) Total assets	93,857,762	77,466,694	67,973,823
(Non-consolidated) Total assets	34,235,786	34,093,584	32,872,824

[000003] Compliance Status with Key Indicators of Corporate Governance

Compliance rate 86.7

5. Compliance with Key Governance Indicators

Key indicators	(Current Period Subject to Disclosure) Compliance (O/X)	(Previous Period Subject to Disclosure) Compliance (O/X)	Note
Give a convocation notice 4 weeks before the general meetings of shareholders (Annual General Meetings, AGM)	O	O	The convocation notice was made on Feb. 17, 2025 (36 days prior to the meeting date) - See Detailed Principle 1-① for more details
Use an e-voting system	O	O	Electronic voting has been used since the EGM of 2020 - See Detailed Principle 1-② for more details
Hold the AGM on the date other than the dates during the popular AGM period	O	O	The 24th AGM was held on Mar. 24, 2025 (The peak AGM dates in 2025 were March 21, 27, and 28) - See Detailed Principle 1-② for more details
Provide predictability of cash dividends	O	X	Articles of Incorporation amended in 2024; in effect since 2025 - Detailed Principle 1-④
Notify shareholders of the dividend policy and payout plans at least once a year	O	O	Details were provided in various ways and channels, including the company's website, performance briefing, and public disclosure - Complying with the requirements, as described under Detailed Principle 1-④
Established and operate a CEO succession policy	O	O	A CEO succession policy and a dedicated department are in place - See Detailed Principle 3-②
Build and operate an internal control policy such as risk management	O	O	Internal control policy regulations and systems in the fields of risk management, compliance, and internal accounting management are in place - Complying with the requirements, as described under Detailed Principle 3-③
The chairperson of the Board is an outside director	X	X	BOD chairman and CEO are not separated - See Detailed Principle 4-①

Key indicators	(Current Period Subject to Disclosure) Compliance (O/X)	(Previous Period Subject to Disclosure) Compliance (O/X)	Note
Use a cumulative voting system	X	X	Excluded according to the Articles of Incorporation - See Detailed Principle 4-③ for more details
Have a policy to prevent the appointment of a person as an executive who is accountable for harming corporate value or infringing on the shareholders' rights and interests	O	O	Multiple internal validation process and regulations are in place - Complying with the requirements, as described under Detailed Principle 4-④
Not all Board members are of the same gender	O	O	The company's BOD is run by 7 members, consisting of 5 males and 2 females. - See Detailed Principle 4-②
Installed an independent internal auditing department (that supports an internal audit procedure)	O	O	An independent internal audit department is in full operation - See Detailed Principle 9-① for more details
A specialist in accounting or finance is included in internal auditing bodies	O	O	1 person (Young-han Lee, outside director) - Complying with the requirements, as described under Detailed Principle 9-①
Internal auditing bodies hold meetings with external auditors at least once a quarter without management present	O	O	Held at least once a quarter - Complying with the requirements, as described under Detailed Principle 10-②
Procedures are in place to allow internal auditing bodies access to material management information	O	O	Provisions (Articles 3 and 13) were added to the Audit Committee Regulations - Complying with the requirements, as described under Detailed Principle 9-①

- The data as-of date for this table is the date of submitting this report.

[000004] II. Corporate Governance Status

[100000] 1. General Corporate Governance Policy

A. Provide a detailed explanation of the operating direction and key considerations of the company's corporate governance policy.

LG Chem aspires to ensure the transparency, stability, and soundness of its corporate governance in order to increase shareholders' value and protect their rights and interests, and to have an active and efficient corporate governance, thus achieving sustainable growth and becoming an industry leader. To that end, we follow a board-centered management principle that prioritizes expertise and diversity within the Board of Directors, while reinforcing the independence of outside directors. Through the stable and effective operation of the Board, we execute our governance policy.

For transparency, we publicly disclose the full text of all governance-related regulations-such as the Articles of Incorporation, BOD regulations, Audit Committee regulations, and Executive Committee regulations-on our official website. The establishment and operation of our governance system strictly follow the principles and procedures outlined in these internal policies.

To maintain a balanced and sound governance structure with proper checks and balances, a majority of LG Chem's Board members (four out of seven) are outside directors. All outside director candidates are rigorously vetted by the Outside Director Nomination Committee to ensure there are no legal disqualifications or conflicts of interest. This process guarantees the independence of outside directors from management and controlling shareholders.

Furthermore, the BOD is composed of professionals with expertise across various fields-including industry, finance, accounting, law, and business-to ensure objective and reasonable decision-making. We also strive to ensure diversity, having appointed two women among our four outside directors, thereby reflecting a balance in knowledge, experience, and gender. To support the efficient and stable operation of the BOD, we have established a dedicated BOD Secretariat. This body provides directors with advance briefings and sufficient information on agenda items ahead of BOD meetings, enabling them to make informed and optimal management decisions.

B. Describe unique characteristics of the company's governance, if any.

(1) BOD composed of majority of outside directors

Four out of seven directors (57 percent) of our BOD are outside directors. This is to increase efficiency by incorporating outside personnel with diverse expertise and backgrounds into the BOD, and to strengthen the checks on the management through a number of outside directors with verified independence. In particular, all four outside directors make up the Audit Committee, which exercises internal control over business execution. To ensure fairness in appointing outside directors, two of the three members of the Outside Director Nomination Committee must be outside directors.

(2) Committee-centered operation within the BOD

The Audit Committee, the Internal Transaction Committee, the ESG Committee, the Management Committee, and the Outside Director Nomination Committee are operational as of Dec. 31, 2023. In addition to the roles and authorities of the committees specified by laws and regulations, we are enhancing the professionalism, independence, and efficacy of the BOD by defining the precise scope of each committee's rights in our regulations. Consequently, the Audit Committee carries out active roles and functions in terms of internal control, including not only approving and reporting legal obligations, but also reporting non-recurring incidents and external auditors' auditing. The Management Committee votes on matters requiring prompt decision-making, such as approval of individual company loans, payment guarantees below a certain threshold, and board-delegated matters. In addition, the Management Committee's agenda is communicated to each director and reported to the BOD at least every six months in order to prevent the committee from undermining the board's control function. The ESG Committee, in particular, was established on Apr. 28, 2021, with the objective of achieving sustainable growth by bolstering management in environmental, social, and corporate governance. The Internal Transaction Committee, installed on Jul. 1, 2021, is responsible for increasing the transaction fairness and the company's management transparency.

(3) Strengthening outside directors' expertise

Our outside directors are experts in industrial technology, finance and accounting, law, and management advisory services. Relevant departments conduct interviews and pre-verification procedures on candidates for outside director positions to select the most qualified ones. In order to build the BOD's competence by maximizing the expertise of each outside director, the company actively listens to outside directors' requests for information regarding decision-making through the BOD Secretariat and related departments. We also facilitate a pre-reporting procedure prior to board meetings so that we can carefully examine crucial issues and come up with the best decision.

The BOD receives quarterly reports on the status of the company's primary businesses to ensure that all outside directors fully understand the company's businesses. Additionally, seminars for new outside directors are held annually at the LG Group level. On Apr. 28, 2022, a seminar was held on the topic of "Improving Understanding in the Business and Facilitating the Execution of Duties of the BOD," which was attended by Directors Hwa-sun Cho and Hyun-joo Lee. On Apr. 12, 2023, a seminar was held on "Deepening Participants' Comprehension of the Business Overview and the Functioning of the BOD," with Director Kyung-hoon Chun. On Apr. 8, 2025, a seminar on "Business Overview and BOD Operation" was conducted, attended by Director Young-han Lee.

[200000] 2. Shareholders

[201000] (Core Principle 1) Shareholders shall be able to receive sufficient and timely information, which is necessary to exercise their rights, and to exercise their rights through appropriate procedures.

■ [201100] (Sub-principle 1-1) - Companies shall provide shareholders with the sufficient amount of information about a general meeting of shareholders, including the date, venue, and agenda, well before the actual meeting date.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

The company posts meeting details on DART four weeks early to ensure timely shareholder voting.

A. Describe the information the company has provided regarding the general meetings of shareholders (annual general meeting, AGM), including the date, venue, and agenda of those meetings convened between the start of the period subject to disclosure to the report submission date.

LG Chem holds annual general meetings of shareholders (AGMs) within three months of the end of each fiscal year, with extraordinary general meetings (EGMs) held as needed. Since Jan. 1, 2022, we have held a total of three AGMs. Details of the general meetings of shareholders are as follows.

Table 1-1-1: Information on the General Shareholders' Meetings

	24th AGM	23rd AGM
Held a regular AGM	O	O
Date of convocation resolution	2025-02-17	2024-02-23
Date of convocation notification	2025-02-17	2024-02-23
Date of AGM	2025-03-24	2024-03-25
Period between the date of notification and AGM	36	31

Meeting venue		LG Twin Tower, 128 Yeoui-daero, Yeongdeungpo-gu, Seoul B1, LG Twin Tower, East Building	LG Twin Tower, 128 Yeoui-daero, Yeongdeungpo-gu, Seoul B1, LG Twin Tower, East Building (Formerly Main Auditorium)
Method of notifying information on AGM		Post a convocation notice via the e-disclosure systems of the Financial Supervisory Service	Post a convocation notice via the e-disclosure systems of the Financial Supervisory Service and Korea Exchange, as well as send a notice to major shareholders
Convocation notice in other languages for foreign shareholders	Notified	O	O
	Notification method	Send key foreign shareholders an email written in English to inform them of the general meeting	Send key foreign shareholders an email written in English to inform them of the general meeting
Details	Attendance of the Board members	Three out of seven	Three out of seven
	Attendance of auditors or Audit Committee members	One out of four	One out of four
	Key points from the shareholder remarks	1) Shareholders who commented: - One institutional shareholder 2) Gist of their comments: - Support for the company's strategic business portfolio restructuring and recommendations to strengthen the protection of minority shareholders' rights	1) Shareholders who commented: - One institutional shareholder and majority shareholders 2) Gist of their comments: - Proposal to protect the rights and interests of general shareholders (one institutional shareholder) - Agreement and re-appointment of the agenda (majority shareholders)

B. Based on the above, if the company has failed to provide the sufficient amount of information regarding the general meetings of shareholders well in advance, explain the reason(s) and future plans.

(1) Shortcomings and the reason(s)

As described above, the company notifies the information regarding the general meeting of shareholders, including its date, location, and agenda, on DART four weeks before the meeting so that shareholders may exercise their voting rights in sufficient time.

(2) Future plans and additional explanations

As described above, the company endeavors to continue to provide shareholders with adequate information regarding their general meetings well in advance.

■ [201200] (Sub-principle 1-2) - Shareholders shall be able to participate in the AGM and express their opinions to the fullest extent.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Company's in the Korea Listed Companies Association's general meeting dispersion compliance program

A. Describe the general information regarding the exercise of the shareholders' direct or indirect voting rights.

(1) Describe whether the company has avoided the convocation of its general meeting of shareholders during the popular dates for AGM, conducted voting in writing, solicited the voting by proxy, etc. for the last three business years.

The general meeting dispersion compliance program initiated by the Korea Listed Companies Association and Korea Exchange was adopted on Feb. 5, 2018 as part of an initiative to revitalize the general meetings of shareholders. We volunteered to participate in the program at the 22nd, 23rd, and 24th AGM held from Jan. 1, 2023, the beginning of the immediately preceding fiscal year, until the day of filing disclosure documents, and avoided holding a shareholders' meeting on the designated concentrated AGM days.

Because the company does not utilize a written voting system, our BOD resolved to adopt an electronic voting system on Sep. 17, 2020 to facilitate shareholders in exercising their voting rights. Beginning with the EGM in 2020, shareholders exercised their voting rights via the electronic system without having to attend the meeting in person.

As a result of soliciting shareholders to exercise their rights in proxy, more than 76.2 percent of voting shares have been exercised during the period subject to report, allowing us to achieve the same result as a written voting system. As such, we intend to consider a variety of factors to assist shareholders in exercising their voting rights.

Table 1-2-1: Access to the Exercise of the Voting Right at AGM

Category	24th AGM	23rd AGM	22nd AGM
Popular period for AGM	3/21/2025, 3/27/2025, 3/28/2025	3/22/2024, 3/27/2024, 3/29/2024	3/24/2023, 3/30/2023, 3/31/2023
Dates of AGM	2025-03-24	2024-03-25	2023-03-28

Avoided the convocation of AGM during the popular AGM period (peak days)	O	O	O
Conducted voting in writing	X	X	X
Conducted E-voting	O	O	O
The company solicited the voting by proxy	O	O	O

(2) Provide the ratio of votes in favor and against each agenda item, along with the details, from the general meetings of shareholders convened between the start of the period subject to disclosure to the report submission date.

We solicit shareholders to exercise their voting rights in proxy as part of our efforts to secure a quorum for voting and ensure shareholders' convenience. For this purpose, we prepare a proxy form and reference documents, which are then posted on the electronic-disclosure systems, in accordance with the Financial Investment Services and Capital Markets Act two days before starting solicitation.

A total of 51,138,848 shares, which represents 72.4 percent of 70,592,343 voting shares outstanding, attended the 24th AGM held on Mar. 24, 2025, including proxy attendance. Four of the five agenda items for the 24th AGM were ordinary resolutions, while one item (revision to the Articles of Incorporation) was an extraordinary resolution, in which all items were approved as proposed after meeting the resolution requirements.

In addition, a total of 56,512,601 shares, which represents 80.1 percent of 70,592,343 voting shares outstanding, attended the 23rd AGM held on Mar. 25, 2024, including proxy attendance. Four of the five agenda items for the 23rd AGM were ordinary resolutions, while one item (revision to the Articles of Incorporation) was an extraordinary resolution, in which all items were approved as proposed after meeting the resolution requirements.

The votes for/against each item of the 24th and 23rd AGMs are as follows.

Table 1-2-2: Resolutions from General Shareholders' Meetings

		Type of resolutions	Purpose of meeting	Approval	Total number of issued shares with voting rights (1)	No. of shares with voting rights exercised among (1)	No. of shares in favor	Percentage of shares in favor (%)	No. of shares against, abstained, etc.	Percentage of shares against, abstained, etc. (%)
24th	Item 1	보통(Ordinary)	Approval of the financial statements for the 24th fiscal year (Expected dividend per share: Common: KRW 1,000, preferred: KRW 1,050)	가결(Approved)	70,571,596	51,138,848	49,259,772	96.3	1,879,076	3.7
	Item 2-1	특별(Extraordinary)	Item 2-1: Proposal for revision to the Articles of Incorporation regarding the improvement for dividend procedures	가결(Approved)	70,592,342	51,138,848	51,069,804	99.9	69,044	0.1
	Item 2-2	특별(Extraordinary)	Item 2-2: Proposal for revision to the Articles of Incorporation regarding the establishment of branch offices, etc.	가결(Approved)	70,592,342	51,138,848	51,065,727	99.9	73,121	0.1
	Item 3-1	보통(Ordinary)	Item 3-1: Appointment of Hak-cheol Shin as an inside director	가결(Approved)	70,592,342	51,138,848	40,743,203	79.7	10,395,645	20.3
	Item 3-2	보통(Ordinary)	Item 3-2: Appointment of Bong-seok Kwon as a non-executive director	가결(Approved)	70,592,342	51,138,848	48,152,068	94.2	2,986,780	5.8
	Item 3-3	보통(Ordinary)	Item 3-3: Appointment of Hwasun Cho as an outside director	가결(Approved)	70,592,342	51,138,848	49,852,181	97.5	1,286,667	2.5
	Item 3-4	보통(Ordinary)	Item 3-3: Appointment of Hyun-joo Lee as an outside director	가결(Approved)	70,592,342	51,138,848	49,248,269	96.3	1,890,579	3.7
	Item 4-1	보통(Ordinary)	Item 4-1: Appointment of Hwasun Cho as an Audit Committee member	가결(Approved)	45,008,213	25,554,719	24,315,973	95.2	1,238,746	4.8
	Item 4-2	보통(Ordinary)	Item 4-2: Appointment of Hyun-joo Lee as an Audit Committee member	가결(Approved)	45,008,213	25,554,719	23,560,785	92.2	1,993,934	7.8
	Item 5	보통(Ordinary)	Approval of limits on directors' remuneration	가결(Approved)	70,571,596	51,138,848	45,167,737	88.3	5,971,111	11.7

		Type of resolutions	Purpose of meeting	Approval	Total number of issued shares with voting rights (1)	No. of shares with voting rights exercised among (1)	No. of shares in favor	Percentage of shares in favor (%)	No. of shares against, abstained, etc.	Percentage of shares against, abstained, etc. (%)
23rd	Item 1	보통(Ordinary)	Approval of the financial state- ments for the 23rd fiscal year (Expected dividend per share: Common: KRW 3,500, preferred: KRW 3,550)	가결(Approved)	70,571,597	56,512,601	53,955,721	95.5	2,556,880	4.5
	Item 2	특별(Extraordinary)	Revisions to the Articles of Inc- orporation	가결(Approved)	70,592,343	56,512,601	56,389,983	99.8	122,618	0.2
	Item 3	보통(Ordinary)	Inside director Appointment of Dong-seok Cha as an inside di- rector	가결(Approved)	70,592,343	56,512,601	55,103,772	97.5	1,408,829	2.5
	Item 4	보통(Ordinary)	Appointment of outside direct- or Young-han Lee as an Audit Committee member	가결(Approved)	46,132,464	32,052,722	31,562,742	98.5	489,980	1.5
	Item 5	보통(Ordinary)	Approval of limits on directors' remuneration	가결(Approved)	70,571,597	56,512,601	51,566,176	91.2	4,946,425	8.8

B. Describe the company's efforts to communicate with shareholders when there was an agenda item with a high opposition rate or that was rejected, and provide the details.

No resolution items of general meetings of shareholders had the majority of votes against them or disapproved by shareholders.

C. Based on the above, if the company has not taken sufficient measures to encourage shareholders to actively participate in the decision-making process such as the general shareholders' meetings, explain the reason(s) and future plans.

(1) Shortcomings and the reason(s)

As described and explained in the preceding section, the company takes measures to secure a quorum for voting and make it easier for shareholders to exercise their voting rights. We have been encouraging their attendance in the general meetings of shareholders since the adoption of the electronic voting system and proxy solicitation.

(2) Future plans and additional explanations

We intend to look into a variety of options for suggesting shareholders with simpler ways to exercise their voting rights.

■ [201300] (Sub-principle 1-3) - Companies shall provide shareholders with the opportunity to propose agenda items for the general shareholders' meetings, and allow them to ask questions and request explanations regarding the proposals during the meetings.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Shareholder proposals are allowed at least six weeks prior, unless restricted by law or the article.

A. Describe the details about the shareholders' right to propose agenda items, in the following:

(1) Does the company provide a detailed guidance on the procedures related to shareholders' proposal on its website, etc.?

Implemented ☒ N(X)

No shareholder has exercised the right to make a proposal in accordance with Articles 363-2 and 542-6 of the Commercial Act during any of the general meetings held from Jan. 1, 2024 until today. Consequently, no details on the exercise of this right are provided herein.

The Commercial Act prescribes shareholders' right to make proposals to protect the rights of common shareholders, in which shareholders who hold a certain percentage or more of the shares required by law may propose that certain matters be raised as agenda items for a general meeting of shareholders at least six weeks prior to the meeting. With sufficient information on the system described in the said Act, the company does not inform shareholders of the details on a separate channel, such as the website. However, unless it violates the Commercial Act or the Articles of Incorporation or other grounds for refusal of shareholder proposals prescribed by the Presidential Decree, we allow shareholders to exercise their rights to make proposals at least six weeks before the general meeting date.

(2) Has the company established and implemented regulations on the procedures and standards for handling shareholders' proposals?

Implemented ☒ N(X)

The company does not have a formally codified regulation specifically governing the procedures for handling shareholder proposals. However, all matters proposed by a shareholder are immediately reported to the BOD so that they are addressed at the board meeting to call a general meeting of shareholders, which takes place three to four weeks, on average, prior to the actual meeting. Besides this, shareholders are allowed to freely pose questions and request clarifications on the proposed agenda items at the general meetings of shareholders.

(3) Describe the details of shareholders' proposals raised between the start of the period subject to disclosure to the report submission date, and explain how those proposals were addressed.

There are shareholders' proposals ☒ N(X)

No proposal rights have been exercised by shareholders from Jan. 1, 2023, the starting point of the previous year for the public disclosure period, to the current point in time.

We have internal standards and procedures in place so that shareholders can exercise their right to make proposals with ease. If this right is exercised according to appropriate procedures in the future, we intend to operate the general meetings of shareholders in compliance with the Commercial Act, as well as the operating procedures of the BOD and general meetings of shareholders.

Table 1-3-1: Status of Shareholder Proposals

	Date of Proposal	Proposing entity	Type	Main content	In process / Implemented	Approval	Approval Rate (%)	Rejection Rate (%)
N/A								

(4) Describe the main content of open letters the company has received from shareholders between the start of the period subject to disclosure to the report submission date. And explain how those proposals were addressed.

The company has received open letters ☒ N(X)

The company has not received any open letters from the starting point of the period for disclosure to the point of report submission.

Table 1-3-2: Status of Open Letters

	Date of dispatch	Sender	Main content	Date of reply	Acceptance	Main content of the reply
N/A						

B. Based on the above, describe any shortcomings in the policy to facilitate the exercise of the shareholders' right to propose agenda items. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

Although the company has not established a separate internal policy or formalized procedures for processing shareholder proposals, any proposal received is handled in accordance with the Commercial Act. This includes verifying shareholder status, reviewing for any violations of the Articles of Incorporation or applicable laws, and reporting the matter to the Board of Directors meeting convened to call the general meeting of shareholders. Through this process, the company ensures that shareholders' rights to make proposals are duly respected and properly addressed.

(2) Future plans and additional explanations

If there is a legitimate exercise of a shareholder's right to make proposals, the company will operate the general meeting of shareholders by complying with the Commercial Act, internal BOD operation procedures, and the procedures of the general meeting of shareholders.

■ [201400] (Sub-principle 1-4) - Companies shall prepare mid- to long-term shareholder return policies including the one related to dividends and future plans, and provide shareholders with predictability regarding dividends.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Company enhances dividend predictability by confirming it before setting record dates from 2024.

A. Describe whether the company has established a policy on shareholder return and whether it fully informs its shareholders of the information, including the following:

(1) Has the company established a dividend policy and other shareholder return policies?

Established ☒ Y(O)

The company may distribute profits in either cash or stock in accordance with its Articles of Incorporation, and a policy governing such distributions is in place. When determining dividends, we take into account investments, cash flow, financial structure, and dividend stability so as to increase shareholder value and return. Dividend stability refers to avoiding a reduction in the dividend per share, but it can be applied flexibly towards sustainable growth and enhancement of shareholder value by reviewing the changes in the business environment and management strategies, such as future investment plans.

We announced the following new mid- to long-term dividend policy on Dec. 15, 2023 to enhance dividend stability and shareholder value.

- Aiming for maintaining a dividend payout ratio at 20 percent or higher of net income (excluding one-off non-recurring profits) on the consolidated financial statements

In addition, a mid- to long-term dividend policy to improve dividend stability and shareholder value was publicly disclosed on Oct. 14, 2020.

- Aiming for maintaining a dividend payout ratio at 30 percent or higher of net income (excluding one-off non-recurring profits) on the consolidated financial statements in order to apply the same standards in terms of financial resources as before the spin-off
- Seeking to pay out a cash dividend of at least KRW 10,000 per common share for three years (2020~2022) to eliminate any uncertainty and increase shareholder value in a stable manner

No discussions or decisions have been made regarding shareholder return policy, except for dividends. The company aims at ensuring sustainable growth in each of its business areas by not only expanding its business in products with high added value or eco-friendliness in the petrochemical sector, where it has differentiated competitiveness, but also by preoccupying demands in downstream markets by investing in the advanced materials business, as well as bolstering R&D in the biotech industry. Our plans for the future include enhancing our corporate value through increased profits, along with the company's growth, while also increasing the size of dividends in the mid- to long-term.

(2) How the company deliver the information about its shareholder return policy to shareholders? Does the company also provide the return policy material in English?

The company has notified shareholders of the policy at least once a year ☐ Y ☐ O

The material is also provided in English ☐ Y ☐ O

The BOD announces its decision on dividend payout before an AGM is held through the DART system and a pop-up window on the company's website. Specifics of the dividends to be allocated in the following year are provided at least once a year through a conference call to present the company's quarterly business results.

We ensure that every shareholder has access to sufficient dividend-related information. The company's dividend policy and status can be found in the link below.

<https://www.lgchem.com/company/investment-information/stock-information/dividends>

We published our mid- to long-term dividend policy in Korean and English on DART on Dec. 15, 2023, and sent all shareholders a letter containing the same matter.

(3) If the company has paid out the cash dividends between the start of the period subject to disclosure to the report submission date, did the company provide predictability regarding dividends by making dividend decisions before the dividend record date?

Reflected to the articles of incorporation ☐ Y ☐ O

Implemented ☐ Y ☐ O

To enhance dividend predictability for investors, the company amended its Articles of Incorporation at the 23rd Annual General Meeting held on Mar. 25, 2024, allowing the Board of Directors to set the record date for dividends, instead of fixing it at the fiscal year-end.

Accordingly, for the 2024 fiscal year, the BOD passed a resolution on Feb. 3, 2025, approving both cash and in-kind dividends. On the same day, the company disclosed the closure of the shareholder registry, designating Mar. 31, 2025, as the record date. The dividends were paid on Apr. 23, 2025, thereby providing investors with predictability regarding dividends.

Going forward, the company plans to continue enhancing dividend predictability by confirming the dividend amount prior to setting the record date for year-end dividends.

Table 1-4-1: Dividend Record Date and Dividend Amount Confirmation Date

	Closing month	Year-end dividend	Date of dividend record	Date of dividend amount confirmation	Provision of cash dividend predictability
24th AGM	12월(Dec)	O	2025-03-31	2025-02-03	O
23rd AGM	12월(Dec)	O	2023-12-31	2024-01-31	X

B. Based on the above, describe any shortcomings in the course of establishing the shareholder return policy and providing related information. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

When establishing a mid- to long-term shareholder return policy, the company publishes the information on DART and posts the policy on its website to provide adequate information to shareholders. Starting with the 2024 fiscal year dividend, the company has improved dividend predictability by confirming the dividend amount first and then setting the record date afterward.

(2) Future plans and additional explanations

Going forward, the company will continue to enhance shareholder value by further developing its mid- to long-term shareholder return policy including dividend plans and ensuring that investors are provided with consistent and timely information.

■ [201500] (Sub-principle 1-5) - Shareholders' rights to receive the appropriate amounts of dividends, etc. shall be respected based on the shareholder return policy and future plans.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

The company targets and maintains a 20%+ payout ratio under its mid-to-long term dividend policy.

A. Describe the company's recent actions on shareholder returns.

(1) Dividend-related matters

Although the year-end dividend for the 2024 fiscal year was not derived directly from the company's three-year mid- to long-term dividend policy disclosed on Dec. 15, 2023, the company has distributed dividends of KRW 1,000 per common share and KRW 1,050 per preferred share as part of its shareholder return efforts aimed at enhancing corporate value. Details of shareholder returns over the past three fiscal years are presented below.

[Note]

In Table 1-5-1-1: In the shareholder return status for the past three fiscal years, "profit available for dividend" is the amount calculated according to Article 462 (1) of the Commercial Act and, marked by the amount rounded down to KRW millions; classified shares were left blank, as they are not differentiated from ordinary shares.

In Table 1-5-1-2: In the cash dividend payout ratio for the past three fiscal years, the consolidated dividend payout ratio for the 2024 fiscal year is marked as "0" due to a consolidated net loss attributable to shareholders.

Table 1-5-1-1: Shareholder Returns for the Last Three Business Years

		General status		Stock dividend	Cash dividend (Unit: KRW)			
		Year	Closing month		Distributable profits	Total dividends	Dividends per share	Dividend yield (%)
Current year	Common shares	2024년	12월(Dec)	None	15,949,559,000,000	70,592,342,000	1,000	0.4
	Shares of different classes	2024년	12월(Dec)	None		8,066,896,950	1,050	0.7
Previous year	Common shares	2023년	12월(Dec)	None	16,724,794,000,000	247,073,200,500	3,500	0.7
	Shares of different classes	2023년	12월(Dec)	None		27,273,794,450	3,550	1.1
Year before last	Common shares	2022년	12월(Dec)	None	17,459,373,000,000	705,923,430,000	10,000	1.6
	Shares of different classes	2022년	12월(Dec)	None		77,211,727,950	10,050	3.4

Table 1-5-1-2: Cash Dividend Payout Ratio for the Last Three Business Years

Category	Current year	Previous year	Year before last
Consolidated based (%)	0.00	20.5	42.4
Non-consolidated based (%)	47.2	120.3	26.0

(2) Has the company taken any action regarding shareholder returns other than dividends? If so, describe it.

Not applicable.

B. Based on the above, describe any shortcomings regarding the shareholders' rights to receive an appropriate amount of shareholder returns. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

Although the dividend amount for the 2024 fiscal year was not calculated based on the company's dividend policy, the company paid KRW 1,000 per common share and KRW 1,050 per preferred share in an effort to enhance shareholder value. We will continue to work to provide an adequate level of shareholder returns and improve shareholder value.

(2) Future plans and additional explanations

We will continue to work to provide an adequate level of shareholder returns and improve shareholder value.

[202000] (Core Principle 2) Shareholders shall hold fair voting rights according to the class and number of shares owned; and the corporation shall make efforts to be equipped with a system that provides corporate information to the shareholders in a fair manner

■ **[202100] (Sub-principle 2-1) - Companies shall ensure that the shareholders' voting rights are not infringed upon, and provide sufficient amount of corporate information to shareholders at the right time, in a fair manner.**

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Company ensures fair voting rights and timely information disclosure to shareholders.

A. Describe the details about the stock issuance as of the preparation date of this report, in the following:

(1) Stock issuance status

The total number of shares granted in our Articles of Incorporation is 292,000,000 (KRW 5,000 per share). The total number of shares issued as of Dec. 31, 2016 was 73,900,021, and 4,381,122 shares (4,321,243 common shares and 59,879 preferred shares) were issued on Jan. 2, 2017 due to the merger with LG Life Sciences. At present, the total number of shares issued is 78,281,143, with 70,592,343 registered common shares and 7,688,800 registered preferred shares.

[Note]

1. The number of authorized shares is not broken down by stock class, as stated in Article 5 of the Articles of Incorporation. Therefore, ordinary shares and classified shares in the following have all been written as the company's total number of authorized shares.
2. However, it should be noted that the company's total number of classified stocks is limited to half of the total number of shares issued pursuant to Articles 8-1 and 8-2 of the Articles of Incorporation.

Table 2-1-1-1: Total Number of Authorized Shares (Unit: Shares)

Common shares	Shares of different classes	Total number of authorized shares
292,000,000	292,000,000	292,000,000

Table 2-1-1-2: Detailed Status of Stock Issuance

	No. of shares issued	Issuance rate (%)	Note
Common	70,592,343	24.18	- 1 treasury stock
Preferred	7,688,800	2.63	- 6,041 treasury stocks - No voting rights

(2) Details and reason(s) for granting the voting rights by class of shares, and the history of the AGMs convened for different classes of shares.

Each shareholder has one voting right per share that they own according to the Articles of Incorporation. Preferred shares, however, do not carry voting rights and receive an annual cash dividend that is 1 percent higher (based on the face value) than common shares. Dividends for preferred share are non-cumulative and non-participating. In addition, no type of shareholder meeting has occurred to date, and therefore no relevant information is covered herein.

As described above, the company grants shareholders voting rights proportional to the number and type of shares they hold.

B. Based on the above, explain the reason(s) and future plans if the voting rights are not fairly granted to shareholders based on the type and number of shares they hold.

(1) Shortcomings and the reason(s)

The company grants shareholders voting rights proportional to the number and type of shares they hold.

(2) Future plans and additional explanations

The company grants voting rights in a fair manner according to the classification and number of shares held and will continue to work for fairness in terms of shareholders' voting rights.

C. Describe the details of the overall information on communications the company had with shareholders between the start of the period subject to disclosure to the report submission date, in the following:

(1) Details on major investor relations (IR) events, conference calls, and conversations with shareholders including institutional investors.

We conduct quarterly conference calls on investor relations (IR) for business briefing via web casting on our website (<https://www.lgchem.com>). We consider holding the briefing sessions via live streaming or in person, in some instances. The presentations are held in both Korean and English to provide Korean and foreign shareholders with accurate information in a fair manner. The materials, also available in both languages, are posted on the Korean and English websites.

Furthermore, we ensure fairness in information provision through measures such as suspending IR activities for a certain period between the end of a quarter and the date of presentation, as well as disclosing (provisional) business results in a timely and fair manner, which are all part of our efforts to provide company information in an equitable manner.

We hold IR events for Korean and foreign institutional investors occasionally, and publish information about the company's major IR activities on our website (available in both Korean and English), as well as the DART system. Our major IR activities since Jan. 1, 2024 are as follows; separate communication activities with overseas investors have been indicated in "(3) Separate engagement events with overseas investors" below.

[Quarterly performance briefing, etc.]

(Jan. 1, 2024-May 31, 2025)

Date	Target	Format	Highlights	Venue	Executive present
1/31/2024	Korean and foreign investors, securities analysts, and media	Conference call and webcasting	Earnings results for Q4 2023	Virtual	CFO, IR Division, etc.
4/30/2024	Korean and foreign investors, securities analysts, and media	Conference call and webcasting	Earnings results for Q1 2024	Virtual	CFO, IR Division, etc.
7/25/2024	Korean and foreign investors, securities analysts, and media	Conference call and webcasting	Earnings results for Q2 2024	Virtual	CFO, IR Division, etc.
10/28/2024	Korean and foreign investors, securities analysts, and media	Conference call and webcasting	Earnings results for Q3 2024	Virtual	CFO, IR Division, etc.
2/3/2025	Korean and foreign investors, securities analysts, and media	Conference call and webcasting	Earnings results for Q4 2024	Virtual	CFO, IR Division, etc.
4/30/2025	Korean and foreign investors, securities analysts, and media	Conference call and webcasting	Earnings results for Q1 2025	Virtual	CFO, IR Division, etc.

[NDRs held in Korea]

(Jan. 1, 2024-May 31, 2025)

Date	Target	Format	Highlights	Venue	Executive present
2/2/2024 ~ 2/6/2024	Korean institutional investors	NDR	Earnings results for 4 Q 2023, key aspects of management and strategies	Jeonju, Yeouido, Gwanghwamun	Investor Relations Division
5/3/2024 ~ 5/8/2024	Korean institutional investors	NDR	Earnings results for 1 Q 2024, key aspects of management and strategies	Jeonju, Yeouido, Gwanghwamun	Investor Relations Division
7/29/2024 ~ 7/31/2024	Korean institutional investors	NDR	Earnings results for 2 Q 2024, key aspects of management and strategies	Jeonju, Yeouido, Gwanghwamun	Investor Relations Division
10/30/2024 ~ 11/1/2024	Korean institutional investors	NDR	Earnings results for 3 Q 2024, key aspects of management and strategies	Jeonju, Yeouido, Gwanghwamun	Investor Relations Division
2/5/2025 ~ 2/6/2025	Korean institutional investors	NDR	Earnings results for 4 Q 2024, key aspects of management and strategies	Jeonju, Yeouido, Gwanghwamun	Investor Relations Division
5/8/2025 ~ 5/9/2025	Korean institutional investors	NDR	Earnings results for 1 Q 2025, key aspects of management and strategies	Jeonju, Yeouido, Gwanghwamun	Investor Relations Division

1) NDR: Non-Deal Roadshow

We actively engaged in IR activities in 2024 by attending more than 400 meetings (including virtual meetings) like the quarterly performance briefing conference calls and overseas/domestic NDRs and conferences described above. In addition, we continue to provide ample opportunities for engagement with Korean and foreign shareholders by planning meetings with each business division's management and CEO speeches, if necessary, in order to facilitate communication with shareholders and improve investors' understanding of the company's businesses.

(2) Details on separate events held to conduct a communication with minority shareholders, if any.

Separate events were held ☒ N/A

Although no separate events were held exclusively for minority shareholders during the disclosure period, the company hosted quarterly earnings conference calls that were open to all shareholders, including minority shareholders.

(3) Details on separate events held to conduct a communication with foreign investors, if any.

The records of holding events to engage with overseas investors from Jan. 1, 2024 to the date of public disclosure documents submission are as follows.

[NDRs and conferences held abroad]

Date	Target	Format	Highlights	Venue	Executive present
1/8/2024 ~ 1/9/2024	Foreign institutional investors	Conference	Earnings results, key aspects of management and strategies	Las Vegas	Investor Relations Division
2/19/2024 ~ 2/23/2024	Foreign institutional investors	NDR	Earnings results for 4Q 2023, key aspects of management and strategies	Hong Kong, Singapore, Malaysia	
3/7/2024	Foreign institutional investors	Conference	Earnings results, key aspects of management and strategies	Conrad Hotel	Investor Relations Division
5/21/2024	Foreign institutional investors	Conference	Earnings results for 1Q 2024, key aspects of management and strategies	Grand Hyatt Seoul, Yongsan	Investor Relations Division
5/27/2024 ~ 5/29/2024	Foreign institutional investors	Conference	Earnings results for 1Q 2024, key aspects of management and strategies	Hong Kong	
5/30/2024 ~ 5/31/2024	Foreign institutional investors	Conference	Earnings results for 1Q 2024, key aspects of management and strategies	Singapore	

6/10/2024 ~ 6/14/2024	Foreign institutional investors	NDR, Conference	Earnings results, key aspects of management and strategies	San Francisco, New York, Toronto	Investor Relations Division
8/5/2024 ~ 8/9/2024	Foreign institutional investors	NDR	Earnings results, key aspects of management and strategies	London, Edinburgh	CEO, IR Division
8/26/2024 ~ 8/27/2024	Foreign institutional investors	Conference	Earnings results for 2Q 2024, key aspects of management and strategies	Conrad Hotel	
8/29/2024	Foreign institutional investors	Conference	Earnings results, key aspects of management and strategies	Andaz Hotel	
9/3/2024	Foreign institutional investors	Conference	Earnings results, key aspects of management and strategies	Conrad Hotel	
9/9/2024 ~ 9/12/2024	Foreign institutional investors	Conference	Earnings results, key aspects of management and strategies	Hong Kong	Investor Relations Division
11/12/2024	Foreign institutional investors	Conference	Earnings results for 3Q 2024, key aspects of management and strategies	Conrad Hotel	
11/20/2024 ~ 11/21/2024	Foreign institutional investors	Conference	Earnings results, key aspects of management and strategies	Singapore	

12/5/2024 ~ 12/6/2024	Foreign institutional investors	Conference	Earnings results, key aspects of management and strategies	Tokyo	
12/9/2024 ~ 12/13/2024	Foreign institutional investors	NDR, Conference	Earnings results, key aspects of management and strategies	New York, Boston, Austin	
2/17/2025 ~ 2/20/2025	Foreign institutional investors	Conference	Earnings results for 4Q 2024, key aspects of management and strategies	Hong Kong, Singapore	Investor Relations Division
5/14/2025 ~ 5/15/2025	Foreign institutional investors	NDR	Earnings results for 1Q 2025, key aspects of management and strategies	Singapore	CEO, IR Division
5/15/2025	Foreign institutional investors	Conference	Earnings results, key aspects of management and strategies	Hotel Shilla	
5/19/2025	Foreign institutional investors	Conference	Earnings results, key aspects of management and strategies	Marriott International	
5/26/2025 ~ 5/30/2025	Foreign institutional investors	NDR	Earnings results, key aspects of management and strategies	Shanghai, Hong Kong, Shenzhen	CFO, IR Division

1) NDR: Non-Deal Roadshow

(4) Does the company provide detailed contact information for inquiries, such as the phone number, email address of the IR department, etc. on its website, etc.?

Implemented ☒ Y(O)

The contact details of the company's IR Division and officer are made available via the Financial Supervisory Service, Korea Exchange, and the Fair Trade Commission, and the IR Division's phone number has been posted on the company website since 2019 to accept shareholders' inquiries, including a 1:1 chat, at any time.

(5) Has the company been operating an English-language website and designated a staff member to assist foreign shareholders, and disclosed contact information for consultation in foreign languages? Has it also provided disclosures written in English?

The company has an English-language website Y(O)

The company has designated a staff member to deal with foreign shareholders Y(O)

English disclosure ratio 40.0

We submit English version of public disclosure in the DART system and periodically deliver our overall financial and business management information via our English website (<https://www.lgchem.com/main/index>). Here we publish our business reports, audit reports, and sustainability reports in English.

As part of our efforts to provide foreign shareholders with significant corporate information and business-related matters occurring throughout the year in a timely manner, we disseminate press releases to foreign media outlets, as well as send emails to key shareholders abroad. In addition, as shown in the table above (NDRs and conferences held abroad), we spare no effort to make all relevant information available to foreign shareholders by participating in overseas NDRs and conferences 10 times on average per year.

We have not separately designated an employee to be in charge of foreign clients; however, our IR Division consists of members who can respond immediately to foreigners' inquiries and counseling, allowing us to cater to foreign shareholders' inquiries and counseling requests whenever possible.

Refer to the information below for our English public disclosure history during the relevant period. As for the "English public disclosure ratio" above, it may vary from the English public disclosure records below, as the ratio of carrying out English public disclosure has been calculated among all public disclosure records except for fair disclosures, voluntary disclosures, and reports pursuant to the Preparation Guideline.

[Disclosures in English]

(Jan. 1, 2024-May 31, 2025)

Date of disclosure	Title of disclosure (English)	Highlights (Korean)
1/19/2024	Changes of 30% or More in Sales or Profits/Losses (15% or More in the Case of Large-sized Corporations)	Change of 30% or More in Sales or Profits/Losses (15% or More in the Case of Large-sized Corporations)
1/31/2024	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)
1/31/2024	Decision on Cash Dividends and Dividends in Kind	Decision on Cash Dividends and Dividends in Kind
2/23/2024	Decision on Calling Shareholders' Meeting	Decision on Calling Shareholders' Meeting
3/7/2024	Submission of Audit Report	Submission of Audit Report
4/30/2024	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)	Report on Business Performance according to Consolidated Financial Statements (Fair Disclosure)
7/31/2024	Details of Corporate Governance Report	Public Disclosure of Corporate Governance Report
11/22/2024	Corporate Value-up Plan (Voluntary Disclosure)	Corporate Value-up Plan (Voluntary Disclosure)
1/21/2025	Changes of 30% or More in Sales or Profits/Losses (15% or More in the Case of Large-sized Corporations)	Change of 30% or More in Sales or Profits/Losses (15% or More in the Case of Large-sized Corporations)
2/5/2025	Decision on Cash Dividends and Dividends in Kind	Decision on Cash Dividends and Dividends in Kind
2/5/2025	Decision on Closure of Shareholder's Registry (Including Record Date) for Dividends	Decision on Closure of Shareholder's Registry (Including Record Date) for Dividends
3/10/2025	Submission of Audit Report	Submission of Audit Report
5/20/2025	Report on Major Issues (Decision on Issuance of Exchangeable Bonds)	Report on Major Issues (Decision on Issuance of Exchangeable Bonds)
5/20/2025	[Correction of statement] Report on Major Issues (Decision on Issuance of Exchangeable Bonds)	[Correction of statement] Report on Major Issues (Decision on Issuance of Exchangeable Bonds)

(6) Has the company been subjected to any restrictions related to disclosure, such as being designated as an unfaithful disclosure corporation, between the start of the period subject to disclosure to the report submission date? If so, describe the details.

The company has been designated as an unfaithful disclosure corporation N(X)

We have engaged in public disclosure faithfully and therefore has never been designated as an "unfaithful disclosure corporation," so no separate descriptions regarding the matter are provided herein.

Table 2-1-3: Details on Designation as Unfaithful Disclosure Corporation

	Type of unfaithful disclosure	Date of designation	Reason for designation	Imposed penalty points	Imposed fine (Unit: KRW)	Improvement efforts after designation, etc.
N/A						

D. Based on the above, explain the reason(s) and describe plans for improvement if there have been any shortcomings to provide shareholders with the sufficient amount of corporate information at the right time, in a fair manner.

(1) Shortcomings and the reason(s)

The company has a system to provide its information to shareholders adequately and fairly at the appropriate time.

(2) Future plans and additional explanations

As stated above, the company endeavors to continue to provide shareholders with timely, adequate, and accurate corporate information.

■ [202200] (Sub-principle 2-2) - Companies shall establish and operate a system to protect shareholders from unfair internal transactions and self-dealing by other shareholders such as controlling shareholders.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Company develops mechanisms to protect shareholders from unfair internal transactions.

A. Describe in detail the company's controlling measures (control policies) regarding internal transactions with affiliated companies, etc. and self-dealing with management or controlling shareholders, etc.

(1) Overall control policies for internal transactions and self-dealings.

Implemented ☒ Y ☐ O

Various policies are in place as part of our efforts to comply with applicable statutes and regulations and thus strengthen our control over internal transactions and self-dealings. Article 14 of the BOD Regulations stipulates "approval of transactions between directors and the company" as a board resolution in order to prevent management and controlling shareholders from engaging in internal transactions and self-dealings for their private interests. A director with special interests is prohibited from exercising his or her voting rights.

Article 542-9 (3) of the Commercial Act also prescribes that if the annual transaction volume with LG Corp., the largest shareholder, or persons with special relations with LG Corp. and the company exceeds 5 percent of the total assets or revenue, or if the transaction size per case exceeds 1 percent of the total assets or revenue, prior approval from the BOD shall be obtained. Moreover, transactions with LG Corp., the major shareholder, and its subsidiaries, and subsidiaries in which LG Corp. owns 50 percent or more of the shares, as well as companies with a potential conflict of interest due to the concurrent position of the CEO, are required to obtain the board's approval pursuant to Article 398 of the Commercial Act.

The Monopoly Regulation and Fair Trade Act mandates that the BOD shall decide and disclose large-scale internal transactions with affiliates for an amount exceeding a certain amount. Accordingly, as a subsidiary of the LG Group, we disclose all such transactions in a legal manner once approved by the BOD. The relevant information is also accessible via DART. We also run the Internal Transaction Committee under the BOD aimed at improving the fairness of transactions and the transparency of management by bolstering the company's internal control over internal transactions.

(2) Has the company have any comprehensive Board resolutions regarding internal transactions with affiliated companies, etc., and self-dealings with management or controlling shareholders, etc.? If so, describe the details and the reason.

As described above, Article 542-9(3) of the Commercial Act prescribes that if the annual transaction volume with LG Corp., or persons with special relations with LG Corp. and the company exceeds 5 percent of the total assets or revenue, or if the transaction size per case exceeds 1 percent of the total assets or revenue, prior approval from the BOD shall be obtained. Moreover, transactions with LG Corp. and its subsidiaries, and subsidiaries in which LG Corp. owns 50 percent or more of the shares, as well as companies with a potential conflict of interest due to the concurrent position of the CEO, are required to obtain the board's approval pursuant to Article 398 of the Commercial Act.

For a reasonable and efficient operation of the BOD in terms of internal transactions with affiliates and self-dealings with management or controlling shareholders, we have set a limit for certain transaction size as a requested limit for the anticipated same/similar transaction with the counterparty, before obtaining comprehensive board approval. In addition, if the amount of transactions with affiliates disclosed after the BOD's approval increases by at least 20 percent, the board must approve any changes to goods or services transactions with affiliates.

The following are details of comprehensive board approval from the beginning of the fiscal year to the date of the report's submission.

[Details of comprehensive board approval]

Session	Agenda		Approval	Regular / Extra	Date convened	Attendance / Quorum
8 th	Resolution	Approval for the limit on the total amount of transaction with parties of special interests	Approved	Regular	11/21/2024	7/7
		Approval of self-dealings with affiliates, etc.	Approved			
		Approval of large-scale internal transactions with affiliates	Approved			

Matters regarding the BOD agenda are available under "VI. Matters concerning the BOD and Other Organizations of the Company."

(3) Details on transactions with stakeholders such as controlling shareholders.

We disclose details of transactions with stakeholders, including controlling shareholders, in periodic reports, and the following lists the transactions with stakeholders from the Business Report 2024.
For additional specifics, see "X. Transactions with Major Shareholders" of the 2024 business report published in DART on Mar. 14, 2025.

[Provision of credit to stakeholders]

Name of the related party	Relationship	Type	Granting date	Objective	Amount	Remaining balance	Description	Condition	Remarks	
LG Polymers India Private Limited	Subsidiary	Rental	11/7/2022	To repay maturing debts and secure operating funds	19,131	19,131	-	Interest rate: Term SOFR (6M) +3.3%	Pursuant to Article 524-9 (2) 3 of the Commercial Act and Article 35 (3) 2 of its Enforcement Decree of the same Act, falls under the “granting of credit” permitted in exceptional circumstances under the premise that there are no risks of harming business management integrity as the provision would not jeopardize the financial status of LG Chem or harm the interests of ordinary investors, considering the corporation's financial and capital loan conditions (Supreme Court Decision 2011Do15854, May 9, 2013)	
								Maturity date: 11/9/2027		
			1/20/2023		14,716	14,716	-	Interest rate: Term SOFR (6M) +3.3%		
								Maturity date: 1/19/2028		
			6/14/2023		4,415	4,415	-	Interest rate: Term SOFR (6M) +3.3%		
								Maturity date: 6/13/2028		
			9/14/2023		5,887	5,887	-	Interest rate: Term SOFR (6M) +3.3%		
								Maturity date: 9/13/2028		

[Transfer of assets with stakeholders]

Counterparty	Relationship	Transaction type	Transaction date	Transaction object	Purpose	Amount	Remarks
LG-HY BCM Co., Ltd.	Affiliate	Transfer of assets to party with special interests	11/8/2024	Sale of inspection equipment	Applied to mass production at the Cheongju Plant under investment supervision; transferred to the operating unit after stabilization	1,211	Did not meet Board reporting threshold; executed through internal approval

TW Biomass Energy Co., Ltd.	Affiliate	Transfer of assets to party with special interests	12/17/2024	Real estate transaction	Site secured for the construction and operation of a cogeneration plant	3,650	Did not meet Board reporting threshold; executed through internal approval
LG-HY BCM Co., Ltd.	Affiliate	Transfer of assets to party with special interests	12/26/2024	Sale of analysis and pre-treatment equipment	Sale of idle equipment	314	Did not meet Board reporting threshold; executed through internal approval
LG Chem America Advanced Materials, Inc.	Affiliate	Transfer of assets to party with special interests	12/31/2024	Assets under construction	Transfer of construction-in-progress assets related to design deliverables for CTA corporation	34,169	Did not meet Board reporting threshold; executed through internal approval

[Business transactions with stakeholders]

Company name	Relationship	Transaction type	Transaction period	Details	Amount
LG Energy Solution Wrocław sp. z o.o.	Subsidiary	Sales, purchases, etc.	Jan. 2024~Dec. 2024	Sales of cathode materials, etc.	1,195,527

B. Based on the above, describe any shortcomings in the policies to protect shareholders from unfair internal transactions and self-dealing. Explain the reason(s) for the shortcomings and future plans for improvement.

(1) Shortcomings and the reason(s)

The company develops and implements mechanisms to safeguard shareholders from unfair internal transactions and self-dealings by other shareholders, including controlling shareholders.

(2) Future plans and additional explanations

Our efforts to safeguard shareholders from unfair internal transactions and self-dealings will continue.

■ [202300] (Sub-principle 2-3) - Companies shall fully explain to shareholders any changes in their ownership structure, principal businesses, and capital raising policies that have differing interests among shareholders and take measures to protect shareholders, such as collecting minority shareholders' opinions and protecting the rights of dissenting shareholders.

Briefly describe the company's compliance with the above sub-principle (40 words or less).
For major ownership or business changes, company ensures shareholder decisions via disclosure.

A. Describe the company's policies to protect shareholders, including how it collects minority shareholders' opinions on mergers, business transfers, spin-offs, comprehensive exchanges and transfers of shares that caused material changes in the ownership structure or principal businesses of the company, and how it protects the right of dissenting shareholders.

The policies are in place ☐ N(X)

The company has not established a separate policy to protect the rights of dissenting shareholders in the event of significant changes to its ownership structure or principal business. However, if such material changes occur, the company ensures shareholder rights by complying with applicable laws and regulations-such as providing public disclosures, convening a general meeting of shareholders, and granting appraisal rights to dissenting shareholders.

B. If there was a merger, business transfer, spin-off, comprehensive exchange or transfer of shares, etc. during the period subject to disclosure that caused a material change in the ownership structure or principal businesses of the company, or if there is any specific plan, describe the measures taken to protect shareholders, such as collecting minority shareholders' opinions and protecting the right of dissenting shareholders.

Planned ☒ N(X)

The company did not undergo any mergers, business transfers, spin-offs, comprehensive exchanges, or stock transfers that resulted in material changes to its ownership structure or major businesses in 2024, the period subject to disclosure. As of the date of submitting the documents for public disclosure, there is no plan to establish a new affiliate, change the share structure, or list an affiliate in relation to such a matter; if such a case arises, the company will faithfully fulfill its duty to ensure the rights of shareholders stipulated in relevant statutes.

C. Describe any capital raisings that can be converted into stock, if any, including the following:

Issued ☐ Y(O)

(1) Describe the issuance status of bonds, etc. that can be converted to stocks.

Although the company issued exchangeable bonds in foreign currency whose fundamental assets are based on LG Energy Solution's stocks in July 2023 and May 2025, these were exchangeable bonds issued based on stocks invested in other corporations and is a capital procurement operation that does not influence the equity structure of the company's shareholders.

The details regarding the issuance of exchangeable bonds are as follows.

[Records of three-year bonds issuance (May 2025)]

2. Type of bond		Section	3	Type	Registered non-secured exchangeable bonds in foreign currency
2. Total bonds issued (digital registration) (Unit: KRW)				1,394,500,000,000	
2-1. (Overseas issuance)	Total issuance (digital registration) (Currency unit)		1,000,000,000	USD	
	Base currency rate, etc.		1,394.50		
	Region of issuance		Foreign financial market in Europe, Asia, etc.		
	Name of market upon overseas listing		Vienna Stock Exchange		
3. Purpose of capital procurement		Repayment funds (KRW)		1,394,500,000,000	
4. Interest rate of bond	Face rate of interest (%)		1.75		
	Interest rate at maturity (%)		1.75		
5. Date of bond maturity		6/16/2028			
6. Method of interest payment		-			
7. Method of principal repayment		1. Repayment at maturity			
		Lump-sum principal repayment for remaining bonds' principal and interest that have been prepaid before the maturity or whose exchange rights have not been exercised			
		2. Prepayment: The company's call option or the bondholders put option			
8. Method of bonds issuance		Private			
9. Matters concerning exchange	Exchange rate (%)		100		
	Exchange price (KRW/per share)		337,700		
	Method of deciding exchange price		Value equal to 110% of the Korea Exchange's closing price of the listed stock decided as the exchange price, considering exchange premiums		
	Subject of exchange	Type	Registered ordinary shares of LG Energy Solution		
		Number of shares	4,129,404		
		Ratio to total number of shares (%)	1.76		
	Exchange period	Start date	7/27/2025		
		End date	6/9/2028		
	Details on exchange price adjustment		- Adjusted according to terms prescribed by the conditions of the bond when relevant cases arise, such as stock dividends arise		
10. Date of subscription		5/15/2025			
11. Date of payment		6/16/2025			
12. Representative company for supervision		HSBC, BofA Securities, Morgan Stanley			
13. Certification authority		-			
14. Date of BOD resolution (date of decision)		5/15/2025			

[Records of five-year bonds issuance (July 2023)]

1. Type of bond	Session	2-1	Type	Registered non-secured exchangeable bonds in foreign currency
2. Total bonds issued (digital registration) (Unit: KRW)				1,295,000,000,000
2-1. (Overseas issuance)	Total issuance (digital registration) (Currency unit)	1,000,000,000	USD	
	Base currency rate, etc.	1,295.00		
	Region of issuance	Foreign financial market in Europe, Asia, etc.		
	Name of market upon overseas listing	Singapore Exchange		
3. Purpose of capital procurement	Facility capital (KRW)	666,200,000,000		
	Operation capital (KRW)	628,800,000,000		
4. Interest rate of bond	Face rate of interest (%)	1.25		
	Interest rate at maturity (%)	1.25		
5. Date of bond maturity		7/18/2028		
6. Method of interest payment		-		
7. Method of principal repayment		1. Repayment at maturity		
		Lump-sum principal repayment for remaining bonds' principal and interest that have been prepaid before the maturity or whose exchange rights have not been exercised		
		2. Prepayment: The company's call option or the bondholders put option		
8. Method of bonds issuance		Private		
9. Matters concerning exchange	Exchange rate (%)	100		
	Exchange price (KRW/per share)	687,500		
	Method of deciding exchange price		Value equal to 125% of the Korea Exchange's closing price of the listed stock decided as the exchange price, considering exchange premiums	
	Subject of exchange gs	Type	Registered ordinary shares of LG Energy Solution	
		Number of shares	1,883,636	
		Ratio to total number of shares (%)	0.80	
	Exchange period	Start date	8/28/2023	
		End date	7/11/2028	
	Details on exchange price adjustment		- Adjusted according to terms prescribed by the conditions of the bond when relevant cases arise, such as stock dividends arise	
10. Date of subscription		7/11/2023		
11. Date of payment		7/18/2023		
12. Representative company for supervision		CITI, Goldman Sachs, HSBC		
13. Certification authority		-		
14. Date of BOD resolution (date of decision)		7/11/2023		

[Records of seven-year bonds issuance (July 2023)]

1. Type of bond	Session	2-2	Type	Registered non-secured exchangeable bonds in foreign currency
2. Total bonds issued (digital registration) (Unit: KRW)				1,295,000,000,000
2-1. (Overseas issuance)	Total issuance (digital registration) (Currency unit)		1,000,000,000	USD
	Base currency rate, etc.			1,295.00
	Region of issuance	Foreign financial market in Europe, Asia, etc.		
	Name of market upon overseas listing	Singapore Exchange		

3. Purpose of capital procurement	Facility capital (KRW)	731,800,000,000
	Operation capital (KRW)	563,200,000,000
4. Interest rate of bond	Face rate of interest (%)	1.60
	Interest rate at maturity (%)	1.60
5. Date of bond maturity		7/18/2030
6. Method of interest payment		-
7. Method of principal repayment		1. Repayment at maturity Lump-sum principal repayment for remaining bonds' principal and interest that have been prepaid before the maturity or whose exchange rights have not been exercised
		2. Prepayment: The company's call option or the bondholders put option
8. Method of bonds issuance		Private
9. Matters concerning exchange	Exchange rate (%)	100
	Exchange price (KRW/per share)	715,000
	Method of deciding exchange price	Value equal to 130% of the Korea Exchange's closing price of the listed stock decided as the exchange price, considering exchange premiums
	Subject of exchange	Type Registered ordinary shares of LG Energy Solution
		Number of shares 1,811,188
	Ratio to total number of shares (%)	
		0.77
	Exchange period	Start date 8/28/2023
		End date 7/11/2030
Details on exchange price adjustment		- Adjusted according to terms prescribed by the conditions of the bond when relevant cases arise, such as stock dividends arise
10. Date of subscription		7/11/2023
11. Date of payment		7/18/2023
12. Representative company for supervision		CITI, Goldman Sachs, HSBC
13. Certification authority		-
14. Date of BOD resolution (date of decision)		7/11/2023

(2) Has the company considered the interests of minority shareholders in its decision-making process during any capital raising activities with different interests among shareholders within the period subject to disclosure?

The exchangeable bonds above are issued based on shares of other corporations as a means of procuring capital and do not influence the equity structure of our company's shareholders.

(3) Were there any changes in controlling shareholders due to the issuance of stock-related bonds or breaches of agreement (loss of benefit of time) during the period subject to disclosure?

D. Based on the above, describe any shortcomings in collecting the opinions of minority shareholders and protecting the rights of dissenting shareholders during any changes in the ownership structure or principal businesses of the company or the process of capital raising. Explain the reason(s) and plans for improvement.

(1) Shortcomings and the reason(s)

As mentioned above, in case of a matter causing significant changes to the ownership structure or principal businesses, the company makes shareholder-related decisions through disclosure, a general meeting of shareholders, and the granting of share purchase rights to opposing shareholders to protect the shareholders' rights, in accordance with applicable laws and regulations.

(2) Future plans and additional explanations

We will continue to faithfully fulfill the duty of ensuring shareholders' rights stipulated in relevant statutes.

[300000] 3. Board of Directors ("the Board")

[303000] (Core Principle 3) The Board shall establish the business objectives and strategies in the best interests of the corporation and its shareholders, and effectively supervise the activities of the management.

■ [303100] (Sub-principle 3-1) - The Board shall effectively perform its function of making management decisions and supervising the management.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Borad enhances decision-making and oversight through internal committees and secretariat support

A. Describe overall matters regarding any system the company operates to ensure that the Board can perform its function as the center of corporate operations, including the following:

(1) Explain the Board deliberations and resolutions stipulated in the articles of incorporation or board regulations, etc. If there were any additional enhancements in addition to the company's legal obligations, describe the reason(s) and their effects.

The Board of Directors is the company's highest permanent decision-making body, established under the Commercial Act. It resolves matters stipulated by the Commercial Act and the Articles of Incorporation, including items subject to board resolution, matters to be submitted to the general meeting of shareholders, major financial issues, mid- to long-term strategies and business policies, personnel matters, and matters related to directors, the Board, and its committees.

In line with the principle of board-centered management, the company also requires Board deliberation and resolution on matters beyond those mandated by law. These include financial matters such as individual facility investments, equity investments, acquisition or disposal of assets, and provision of guarantees or collateral exceeding KRW 100 billion per case; business policies such as the following year's business plan; personnel matters such as the appointment, disciplinary actions, and remuneration of executive officers; and matters related to the establishment, operation, the appointment and dismissal of members, and the enactment or amendment of regulations for Board committees. Article 24 of the Articles of Incorporation and Article 14 of the Board Regulations outline the specific matters for consideration and resolution by the company's BOD, which are summarized as below.

[Table: Matters Subject to Board Deliberation and Resolution under the Articles of Incorporation or Board Regulations]

Category	Matters that require board approval
Matters to be resolved by the BOD under the Commercial Act and the Articles of Incorporation	Convocation of a general meeting of shareholders Approval of business reports Approval of financial statements Appointment or dismissal of the CEO Decision on the co-CEO Appointment or dismissal of managers [Delegated to the Management Committee] Installation, relocation or closing of a branch [Delegated to the Management Committee] Invitation to the subscription of bonds, etc. [Delegated to the Management Committee: Issuance of bonds and individual borrowing within the annual limit approved by the BOD]
Matters concerning agenda items to be submitted to a general meeting of shareholders	Transfer of the whole or an important part of the company's business Lending of the entire business or delegating business management Conclusion, alteration, or cancellation of contracts on sharing with a third party all business profits and losses or any similar contracts Acquisition of all or part of another company's operations that has a significant impact on the company's operations Stock dividends Reduction of capital Exemption of a director's liabilities for the company
Matters concerning significant financial affairs	Asset revaluation Major facility investments and equity contributions (KRW 100 billion or more per transaction) Acquisition or disposal of an asset worth a certain level or higher, borrowing of funds, or provision of a collateral for another party (KRW 100 billion or more per transaction) Large-scale internal transactions under the Monopoly Regulation and Fair Trade Act [Delegated to the Management Committee] Issuance of bonds and individual borrowing within the annual limit approved by the BOD (excluding borrowings secured by accounts receivable) Provision of a collateral or guarantee of KRW 50 billion or more and below KRW 100 billion per transaction
Matters concerning mid- to long-term strategies and business policies	Setting strategic business directions Assessing current year's performance, and developing business plans and reaching an agreement on goals for the following year
HR-related matters	Matters concerning HR policies and remuneration for executive officers Appointment of a chief financial officer Appointment or dismissal of the chief ES&H officer
Matters concerning directors, board members, and committees	Approval of transactions between directors and the company Installation, operation and abolition of committees under the BOD Appointment or dismissal of committee members under the BOD Enactment or abolition of regulations of the BOD and committees under the board
Other matters	Other matters specified by relevant laws and the Articles of Incorporation, matters delegated by the general meeting of shareholders, and matters deemed necessary by the BOD chairperson or the CEO

(2) Describe the Board authorities delegated to the committees of the Board and the representative director (or chief executive officer), if any.

Article 24-1 (1) of the Articles of Incorporation and Article 13 (1) of the Board Regulations state that committees necessary for the BOD operation may be established in addition to an audit committee and a committee for recommending candidates for outside director, as mandated by the Commercial Act. A part of the board's authorities may be delegated to a BOD subcommittee to the extent that such delegation does not violate applicable laws and the Articles of Incorporation pursuant to Article 13 (2) of the Board Regulations.

Accordingly, the company delegates certain authorities of the Board of Directors to its internal committees as follows:

- Outside Director Nomination Committee: Recommends candidates for outside directors to be appointed at the general meeting of shareholders, manages the candidate pool, and verifies candidate qualifications
- Audit Committee: Audits accounting and business practices, and examines the company's operations and financial status
- Internal Transaction Committee: Reviews transactions with related parties, self-dealings, and transactions subject to regulations on undue benefits
- Management Committee: Reviews routine management matters such as bond issuance and individual borrowings within the annual limits approved by the Board
- ESG Committee: Establishes basic ESG management policies and strategies, and oversees compliance policies and key compliance risks

B. Based on the above, if the Board has failed to effectively perform its function to make management decisions and oversee management, explain the reason(s) and future plans.

(1) Shortcomings and the reason(s)

As stated above, there are no identified shortcomings.

(2) Future plans and additional explanations

The company will continue to ensure that the Board of Directors effectively performs its roles in both decision-making and the oversight of management.

■ [303200] (Sub-principle 3-2) - The Board shall establish and operate a CEO succession policy and continuously improve and supplement it.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

We operate an internal process for the succession of the CEO.

A. Describe a CEO succession policy, if one is in place, including the following:

(1) The entity that established and operates the succession policy

A succession policy is in place Y(O)

Article 23 of the Articles of Incorporation and Article 7 of the Board Regulations stipulate that the BOD has the authority to select a CEO, and it is the HR department that develops and runs an internal process for the CEO's succession. The BOD validates the qualifications of each candidate, taking into account their experiences and capabilities regarding businesses or duties they are likely to perform as CEO, experiences and leadership required for executing mid- to long-term business strategies, and suitability at the time of appointment. The HR department devises and operates succession policies in partnership with the department in charge of developing entrepreneurs and other relevant departments.

(2) Main content of the succession policy including the selection, management, training of candidates (pool), etc.

Candidates were selected Y(O)

① Selection and management of CEO candidates (pool)

CEO candidates are divided into those who can be appointed immediately (for the next term) and those who can be appointed three to five years later (long-term). We review and update the candidates annually through the "Talent Session," a conference group for discussions on fostering succession candidates. Top management and HR executives consult with one another each year to select candidates based on their qualifications.

② Candidate training

As part of its efforts to ensure a smooth succession for the CEO, the company discovers and develops talents with the temperament, competencies, and potential as an entrepreneur. We offer systematic training programs designed to help candidates make up for and develop capabilities they may be lacking in. We also cooperate with a group of educational institutions to continuously enhance and supplement the programs, as well as to foster entrepreneurial competence.

③ Management succession process

Every time there is a change in the CEO the relevant issues are placed on the board agenda, and the BOD examines whether the final CEO candidates have the ability to manage and run the company in a manner consistent with shareholder interests and to perform the company's core values and vision, before deciding the CEO nominee. The management succession process concludes when a candidate confirmed by the BOD is appointed as an inside director at the general meeting of shareholders, and is subsequently appointed as the CEO following a board resolution. To ensure management continuity and safety, candidates are required to prepare for succession until they are appointed as internal directors through a general meeting of shareholders and a board meeting. Moreover, we ensure that the succession takes place as seamlessly as possible, where the preceding CEO may be appointed as an advisor.

As for management succession in the event of an emergency, the Articles of Incorporation and the Board Regulations prescribe an acting CEO system, which takes effect in times when the CEO becomes unavailable for any reason. As the regulations suggest, should the CEO is absent or unable to perform his or her duties, a person with a higher rank among internal directors, a person in the order of other non-executive directors, or a person directly designated by the BOD shall act in his or her place.

(3) Training status of the candidates during the period subject to disclosure

Candidates have received training Y(O)

In 2024, the company provided entrepreneurship training for leadership candidates.

① As part of its leadership pipeline management, LG Chem operates an entrepreneurship development program. As of the end of 2024, all candidates had undergone leadership assessments-including leadership tendencies evaluations and surveys-and received one-on-one leadership coaching through CEO mentoring. The candidates also enhanced their problem-solving capabilities by tackling challenging business assignments individually assigned by the CEO.

② To strengthen the succession pipeline, all executives below the Executive Vice President level and non-executive leaders participated in a group-wide training program. The annual curriculum-focused on "Accelerating Differentiated Customer Value Innovation"-included pre-learning (April-May), core training (May-October), and post-learning sessions (November). The program aimed to foster entrepreneurial competencies while deepening participants' understanding of recent changes in the business environment and group-level strategic direction.

(4) Describe improvements and supplements in the CEO succession policy, if any, occurred between the start of the period subject to disclosure to the report submission date.

Not applicable.

B. Based on the above, if there is no CEO succession policy in place, or the policy has any shortcomings, explain the reason(s) and future plans.

(1) Shortcomings and the reason(s)

As mentioned above, the company has established and operates a CEO succession policy.

(2) Future plans and additional explanations

We will continue to operate our CEO succession policy in an appropriate manner.

■ [303300] (Sub-principle 3-3) - The Board shall establish and operate internal control policies to appropriately manage the company's risks and continuously improve and supplement those policies.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

BOD has established and operates a wide range of internal control policies to control various risks

A. Describe the company's internal control policies and explain whether they are continuously improved and supplemented, including the following:

(1) To systematically detect and manage company-wide risks, does the company have any policy in place to promote sustainable growth of the company? If so, describe the current operation status.

A company-wide risk management policy is in place Y(O)

To proactively identify potential risks and incidents that may impact business operations and to establish and implement robust management and response measures,

the company appointed a Chief Risk Officer (CRO) in May 2021 and established an enterprise-wide crisis management organization. The organization, together with other bodies responsible for each major risk (environmental safety/disaster, quality, information security, compliance, human resources, logistics/commercial tariffs, purchasing, and finance), carries out risk management activities to prevent crises in normal times. It has established response procedures, including a radio wave/reporting system and operation of an emergency response committee, and develops worst-case scenarios for each risk factor as its efforts to confirm and update the adequacy of the procedures through consistent simulation training. In addition, as for building an integrated risk management system, we published company-wide risk management regulations that outline risk management policies/principles, responsibilities and authorities, as well as processes to raise employee awareness of risk management and build leadership. We also hold regular risk management committee meetings supervised by the CRO as part of our major decision-making and communication processes.

For the management of risks and operation of a system designed to address crisis in the area of environmental safety, the Chief Safety and Environmental Officer (CSEO) is assigned with the same responsibilities and authority as the CEO and CRO to ensure more efficient and professional operations.

(2) Does the company have a compliance management policy? if so, describe the current operation status.

A compliance management policy is in place Y(O)

[Compliance control system]

In April 2012, the company implemented a compliance officer system in accordance with Article 542-13 of the Commercial Act and has since operated a structured compliance control system. The Compliance Officer and the Compliance Team are responsible for (i) identifying and assessing compliance risks related to business operations, and (ii) regularly reviewing and improving the risk management status, with the results reported to the Board of Directors.

In April 2024, the ESG Committee reviewed the company's compliance risk management system including its current status and improvement plans and reported the findings to the Board.

In November 2024, the ESG Committee received a report on the current management status of six key compliance risks (environment, health, and safety; quality; information security; anti-corruption; labor and human resources; and fair trade) and the committee's future plans for timely deliberation on those risks. The Committee also reviewed and reported to the Board the implementation status and outcomes of improvement measures regarding public-sector corruption risks and the risk of leakage of national core technologies.

[External declaration of the compliance policy]

To publicly affirm top management's commitment to compliance-not only to employees but also to various stakeholders-LG Chem has published its Code of Conduct, which outlines its Compliance Policy, Anti-Corruption Policy, and Core Principles of Compliance. These documents are available on the company's official website and internal standards portal.

- Compliance Policy, Anti-Corruption Policy, LG Chem Code of Conduct
- <https://www.lgchem.com/sustainability/compliance-management>

(3) Does the company have an internal accounting management policy? If so, describe the current operation status.

An internal accounting management policy is in place ☒ Y ☐ O

The company has documented its internal accounting control regulations and guidelines based on the Act on External Audit of Stock Companies, the Enforcement Rules on External Audit and Accounting, and the Best Practices for Internal Accounting Control Systems. It operates its internal accounting control system on a consolidated basis. The internal accounting management regulations encompass various aspects of the design and operation of an internal accounting management system, as well as the roles and responsibilities of the CEO, the Audit Committee, and external auditors, so as to provide reasonable assurance for the preparation and disclosure of financial statements. The internal accounting management guidelines provide the evaluation scope, evaluation criteria and procedures, and definitions of terms that serve as the foundation for the operation of the internal accounting management system. A dedicated organization operates the internal accounting management system, designs company-wide, process-level, and general computer-level controls to improve and supplement the control measures based on the management environment and business changes. It also conducts annual inspections to determine and monitor the accounting management system's efficiency. The CEO reports the system's operating status at a general meeting of shareholders, board meeting, and Audit Committee meeting every year. The Audit Committee proceeds with the system evaluation and reports its findings to the BOD, ensuring the committee's comprehensive monitoring of business activities. The operating report for the system is disclosed in the company's annual business reports.

Responsible members of the organizations related to the management and operation of the internal accounting management system are outlined below. More details are available in the Internal Accounting Management Operations Report attached to the Business Report 2024, which was disclosed on Mar. 14, 2025.

(As of Dec. 31, 2024)

Division/organization	Name of the responsible person	Position	Tasks related to the internal accounting management system
Audit (Committee)	Hwa-sun Cho	Audit Committee Chairperson	- Evaluates the operating status of the internal accounting management system and reports to the BOD
BOD	Dong-seok Cha	Internal accounting manager	- Oversees the assignment of roles within the internal accounting management organization
Accounting	Jae-su Lee	Accounting manager	- Reports the system's operating status to the BOD and the Audit Committee
IT System Operations	Young-il Ma	Task Innovation Group	- Maintains computerized accounting data processing systems to meet the internal accounting management standards
Fund Operations	Hui-won Jang	Finance manager	- Raises and executes funds
HR	Hye-jin Kwon	HR manager	- Takes disciplinary action against persons who violate the Internal Accounting Management Regulations

(4) Does the company have a disclosure information management policy? If so, describe the current operation status.

A disclosure management policy is in place ☒ Y ☐ O

We, as a corporation listed on the stock exchange and affiliated with a business group with restrictions on mutual investment, are committed to impartially disclosing corporate information through prompt disclosure of business activities within the time limit in compliance with the pertinent laws and regulations of the Financial Supervisory Service, Fair Trade Commission, and Korea Exchange. We designate one disclosure officer and two disclosure managers and register them to Korea Exchange, as stipulated in Article 88 of the Securities Market Disclosure Regulations. We also take part in a number of training programs, including regular programs prescribed in the Enforcement Rules of the Securities Market Disclosure Regulations, as well as disclosure and system-related training hosted by the Financial Supervisory Service, Fair Trade Commission, and Korea Listed Companies Association, and carry out disclosure duties.

The IR team of the organization in charge of IR oversees the disclosure affairs and devises disclosure information management regulations and disclosure business guidelines governing disclosure-related tasks and procedures, as well as disclosure information management. Our disclosure system ensures that the IR team is provided with pertinent information in advance during the review phase of key management issues.

(5) Are there any other policies that the company operates specifically for internal control?

The company established an ESG Committee under the Board of Directors in 2021 to fulfill its environmental and social responsibilities, uphold transparent governance and compliance, and achieve sustainable growth. The ESG Committee is responsible for reviewing and reporting to the Board on matters including the formulation of core ESG policies and strategies, the establishment of mid- to long-term ESG goals, and the development of foundational compliance policies.

In addition, the company obtained international certifications for ISO 37001 (Anti-Bribery Management System) and ISO 37301 (Compliance Management System) in September 2023, and successfully renewed the certifications in September 2024. These certifications demonstrate that the company's compliance and anti-corruption policies, as well as its risk management framework, meet global standards and are being effectively implemented in line with international best practices.

B. Based on the above, describe any shortcomings in the company's internal policies or any policies that have been implemented at a lower level according to the company size. Explain the reason(s) and future plans.

(1) Shortcomings and the reason(s)

As stated above, there are no identified shortcomings.

(2) Future plans and additional explanations

The company is committed to actively enforcing its internal control policies to ensure rigorous risk management.

[304000] (Core Principle 4) The Board shall be composed so as to facilitate effective decision-making and supervision of management; and the directors shall be appointed through a transparent process, which reflects the diverse opinions of shareholders.

■ **[304100] (Sub-principle 4-1) - The Board shall be organized to be able to hold effective, thoughtful discussions and make decisions on important matters for the sustainable development of the company, and shall have a sufficient number of outside directors to allow them to work independently from management and controlling shareholders.**

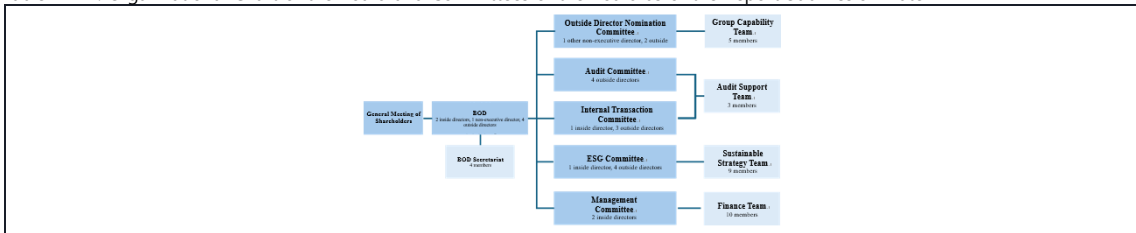
Briefly describe the company's compliance with the above sub-principle (40 words or less).

Board of Directors is composed of seven members, including four outside directors

A. Describe the composition of the Board, including the following:

(1) Organizational chart of the Board, committees of the Board, supporting organizations, etc.

Table 4-1-1: Organizational Chart of the Board and Committees of the Board as of the Report Submission Date



(2) Composition of the Board, age of the Board members, and gender ratio as of the report submission date.

The BOD members are Bong-seok Kwon, Hak-cheol Shin, Dong-seok Cha, Hwa-sun Cho, Hyun-joo Lee, Kyung-hoon Chun, and Young-han Lee.

Table 4-1-2: Composition of the Board

	Type	Gender	Age	Job position	Total term served as a Director (Months)	Date of term expiration	Expertise	Career background
Hak-cheol Shin	사내이사(Inside)	남(Male)	67	BOD Chairperson, Management Committee Chairperson, ESG Committee Member	62	2027-03-24	Business administration in general	Vice Chairperson and Executive Vice President of 3M

	Type	Gender	Age	Job position	Total term served as a Director (Months)	Date of term expiration	Expertise	Career background
Dong-seo k Cha	사내이사(Inside)	남(Male)	62	Management Committee Member, Internal Transaction Committee Member	50	2027-03-25	Business administration in general	CFO of Serveone
Bong-seok Kwon	기타비상무이사(Other non-executive)	남(Male)	61	Outside Director Nomination Committee member	38	2028-03-24	Business administration in general	CEO of LG Electronics
Hwa-sun Cho	사외이사(Independent)	여(Female)	59	Audit Committee Chairperson, Internal Transaction Committee Member, ESG Committee Member	38	2028-03-24	Politics/economy/society	Professor, Department of Political Science and International Studies, Yonsei University
Hyun-joo Lee	사외이사(Independent)	여(Female)	48	Audit Committee Member, ESG Committee Chairperson, Outside Director Nomination Committee Member	38	2028-03-24	Chemistry	Professor, Department of Chemical and Biomolecular Engineering, KAIST
Kyung-ho on Chun	사외이사(Independent)	남(Male)	52	Audit Committee Member, Internal Transaction Committee Chairperson, ESG Committee Member	26	2026-03-28	Legal affairs	Professor at Seoul National University School of Law
Young-ha n Lee	사외이사(Independent)	남(Male)	52	Audit Committee Member, Internal Transaction Committee Member, Outside Director Nomination Committee Chairperson, ESG Committee Member	14	2027-03-25	Accounting/taxation	Professor at University of Seoul Department of Science in Taxation

(3) The composition of the committees of the Board, their chairpersons, the main roles of the committees, etc. as of the report submission date.

A total of five committees operate under the Board of Directors: the Outside Director Nomination Committee, the Audit Committee, the Internal Transaction Committee, the Management Committee, and the ESG Committee. The composition, chairperson, and key responsibilities of each committee are summarized in the table below.

Table 4-1-3-1: Status of the Committees of the Board

	Key roles of Board committees	No. of committee members	Committee code	Note
Outside Director Nomination Committee	1. Develops, checks, and supplements principles for appointing outside directors 2. Recommends outside directors to be appointed at the general meeting of shareholders 3. Manages and validates a pool of outside director candidates	3	A	
Audit Committee	1. Supervises the activities of directors and management 2. Approves the selection of an external auditor 3. Other audit-related matters specified in the Articles of Incorporation or internal regulations	4	B	
Internal Transaction Committee	1. Reviews transactions with related parties and those subject to regulations on private interest appropriation 2. Deliberates on internal transactions that legally require Board approval	4	C	
Management Committee	1. Deliberates matters concerning efficient board operations and regular business management affairs 2. Deliberates and resolves matters delegated by the board to the Management Committee, as well as other regular business management affairs	2	D	
ESG Committee	1. Devises basic policies and strategies for ESG management 2. Sets mid- to long-term ESG goals 3. Oversees key matters related to compliance, including the establishment of compliance policies and the management of critical compliance risks	5	E	

Table 4-1-3-2: Composition of the Committees of the Board

		Job position	Type	Gender	Concurrent position
Outside Director Nomination Committee	Young-han Lee	Chairperson	사외이사(Independent)	남(Male)	A,B,C,E
	Bong-seok Kwon	Member	기타비상무이사(Other non-executive)	남(Male)	A
	Hyun-joo Lee	Member	사외이사(Independent)	여(Female)	A,B,E
Audit Committee	Hwa-sun Cho	Chairperson	사외이사(Independent)	여(Female)	B,C,E
	Hyun-joo Lee	Member	사외이사(Independent)	여(Female)	A,B,E
	Kyung-hoon Chun	Member	사외이사(Independent)	남(Male)	B,C,E
	Young-han Lee	Member	사외이사(Independent)	남(Male)	A,B,C,E
Internal Transaction Committee	Kyung-hoon Chun	Chairperson	사외이사(Independent)	남(Male)	B,C,E
	Dong-seok Cha	Member	사내이사(Inside)	남(Male)	C,D
	Hwa-sun Cho	Member	사외이사(Independent)	여(Female)	B,C,E
	Young-han Lee	Member	사외이사(Independent)	남(Male)	A,B,C,E
Management Committee	Hak-cheol Shin	Chairperson	사내이사(Inside)	남(Male)	D,E
	Dong-seok Cha	Member	사내이사(Inside)	남(Male)	C,D
ESG Committee	Hyun-joo Lee	Chairperson	사외이사(Independent)	여(Female)	A,B,E
	Hak-cheol Shin	Member	사내이사(Inside)	남(Male)	D,E
	Hwa-sun Cho	Member	사외이사(Independent)	여(Female)	B,C,E
	Kyung-hoon Chun	Member	사외이사(Independent)	남(Male)	B,C,E
	Young-han Lee	Member	사외이사(Independent)	남(Male)	A,B,C,E

(4) Did the company establish a committee of the board for sustainability management? If so, describe the specific functions and roles of the committee.

An ESG committee is in place ☒ Y(O)

Since 2021, the company has operated the ESG Committee as a sub-committee of the Board of Directors to support sustainable management.

The ESG Committee consists of five members, including all four outside directors and the CEO (an inside director), ensuring both independence and execution capability. The committee deliberates and resolves key matters related to the company's responsibilities regarding environmental and social issues, transparent governance, and the establishment of a compliance management framework.

In accordance with Article 10 of the ESG Committee Charter, matters such as the establishment of basic ESG policies and strategies, the setting of mid- to long-term ESG goals, and the formulation of compliance management policies are submitted to the Committee for review.

In April 2024, the Committee reviewed and discussed topics including the proposed plan for sustainability disclosure and the compliance risk management system. In November 2024, it reviewed global sustainability trends, LG Chem's governance and engagement enhancement strategies, and compliance risk updates. In April 2025, it reviewed the status of eco-friendly material/fuel technology development and the company's ongoing compliance risk management efforts.

(5) Is the chair of the Board an outside director?

The Board chair is an outside director ☐ N(X)

As of the report submission date, the company has adopted a unified Board structure in which the CEO concurrently serves as the Chairperson of the Board of Directors. This approach is intended to streamline decision-making procedures and enhance operational efficiency. We believe that a unified leadership structure, where the CEO also chairs the Board, is more suitable for ensuring efficient Board operations and facilitating timely decision-making. Given the CEO's deep understanding of the company's current issues and business environment, this structure is also deemed appropriate for effectively managing Board activities.

To ensure a system of checks and balances, the company actively incorporates the opinions of both inside and outside directors in the course of Board proceedings, including the presentation and deliberation of agenda items, beyond those of the Chairperson alone.

(6) Has the company hired a senior outside director and adopted an executive officer system? If so, describe the background, reason(s), rationale, current status, etc. of the system.

A senior outside director system is in place ☐ N(X)

An executive officer system is in place ☐ N(X)

The company does not operate a senior outside director system; however, the chairpersons of all Board committees-except for the Management Committee-are outside directors, and their voices are sufficiently reflected in Board discussions.

A majority of the Board consists of outside directors, and the Audit Committee is composed entirely of outside directors. In addition, the Outside Director Nomination Committee, Internal Transaction Committee, and ESG Committee are composed mostly of outside directors, with only one internal member on each committee. Accordingly, the Board and its committees are effectively operated under the leadership of outside directors.

Furthermore, the company has not adopted an executive officer system, as it believes that combining execution and oversight functions within the Board contributes to greater management efficiency.

B. Based on the above, describe any shortcomings in the composition of the Board and the independence of outside directors, and explain the reason(s) and plans for improvement.

(1) Shortcomings and the reason(s)

For reasons of management efficiency and effective Board operation, the CEO concurrently serves as the Chairperson of the Board of Directors, and the company has not adopted a senior outside director system or an executive officer system.

(2) Future plans and additional explanations

The company will continue to explore various measures to further enhance the independence of outside directors.

■ [304200] (Sub-principle 4-2) - The Board shall be composed of competent persons with expertise and responsibility in various fields of knowledge and experience, so that they can contribute substantially to company management.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

The Board comprises experts from diverse fields, ensuring strong governance and effective oversight.

A. Describe the current status of the Board, including the following:

(1) Has the company been introduced policies to secure expertise, responsibility, and diversity of the Board? If so, describe them and their current status. Additionally, if all the Board members are of the same gender, explain the reason.

The company falls under the special cases concerning gender composition of the Board Y(O)

Not all members of the Board are at the same gender Y(O)

Our BOD is comprised of both inside and outside directors with expertise in the industries, management consulting, law, accounting, and taxation. In the case of outside directors, the Outside Director Nomination Committee selects candidates with a wealth of experience and insight, and a system is in place that ensure the board operation in a professional way from multiple vantage points.

Taking into account expertise, accountability, and diversity in the board composition, our BOD is comprised of a management expert in the same or a similar industry, an industrial technology expert, a financial and accounting expert, a legal expert, and a management advisory expert that contribute to the company's major decisions.

The company's Board of Directors includes two female directors out of seven members, representing 28.6% of the total Board and 50% of the outside directors, thereby ensuring gender diversity.

(2) Describe the appointments and changes of directors took place between the start of the period subject to disclosure to the report submission date.

At the 2024 Annual General Meeting of Shareholders, Director Dong-seok Cha was reappointed, and Young-han Lee was newly appointed to the Board. At the 2025 Annual General Meeting of Shareholders, Directors Hak-cheol Shin, Bong-seok Kwon, Hwa-sun Cho, and Hyun-joo Lee were reappointed.

Table 4-2-1: Appointment and Changes of Directors

	Type	Date of appointment	(Expected) Date of term expiration	Date of change	Reason for change	Incumbency
Dong-seok Cha	사내이사(Inside)	2020-03-20	2027-03-25	2024-03-25	재선임(Reappoint)	Incumbent
Young-han Lee	사외이사(Independent)	2024-03-24	2027-03-25	2024-03-25	선임(Appoint)	Incumbent
Bong-seok Kwon	기타비상무이사(Other non-executive)	2022-03-23	2028-03-24	2025-03-24	재선임(Reappoint)	Incumbent
Hak-cheol Shin	사내이사(Inside)	2019-03-15	2027-03-24	2025-03-24	재선임(Reappoint)	Incumbent
Hwa-sun Cho	사외이사(Independent)	2022-03-23	2028-03-24	2025-03-24	재선임(Reappoint)	Incumbent
Hyun-joo Lee	사외이사(Independent)	2022-03-23	2028-03-24	2025-03-24	재선임(Reappoint)	Incumbent
Mun-su Kim	사외이사(Independent)	2018-03-23	2024-03-25	2024-03-25	만료(Expire)	Retired

B. Based on the above, describe any shortcomings in the composition of the Board in terms of diverse backgrounds, expertise, and responsibility. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

As stated above, there are no identified shortcomings.

(2) Future plans and additional explanations

We will continue to ensure that the Board maintains its expertise and diversity.

■ [304300] (Sub-principle 4-3) - The company shall ensure fairness and independence in the process of recommendation and appointment of directors.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Company ensures fairness and independence in the nomination and appointment of directors

A. Describe whether the company has established a committee for recommending candidates for inside and outside directors, etc. If so, describe the details of the committee and its activities.

A director recommendation committee, etc. is in place Y(O)

Percentage of outside directors among the director recommendation committee members (%) 66.7

In accordance with Article 542-8 (4) of the Commercial Act, the company has established and operates an Outside Director Nomination Committee to recommend candidates for outside directors.

To ensure fairness and independence in the nomination and appointment process, two out of three committee members are outside directors. The committee rigorously evaluates candidates based on legal eligibility, professional qualifications, and suitability for the role.

While the company does not operate a separate committee for the nomination of inside directors, the Board of Directors-with a majority of outside directors-thoroughly reviews each candidate's background, capabilities, and fitness for the role before making an appointment.

B. Describe whether the company has been providing its shareholders with the sufficient amount of information about director candidates and time for review, including the following:

(1) Did the company provide detailed information on the director candidates in the case where the appointment of a director was included in the agenda list of AGMs held between the start of the period subject to disclosure to the report submission date?

To ensure adequate time for the acquisition of specific information on the director candidate and review, the company discloses information regarding director appointments to shareholders approximately four weeks before the general meeting of shareholders. In case of reelecting a candidate, we document and disclose their past activities in the BOD in the general meeting convocation notice, as well as our quarterly business reports. This is how we make relevant information available as reference documents when appointing candidates for directorship.

Table 4-3-1: Information Provided on Director Candidates

		Date of information provision(1)	Date of AGM(2)	No. of Days between date of information provision and AGM((2)-(1))	Type of director candidates	Information provided	Note
22nd AGM	Kyung-hoon Chun	2023-02-20	2023-03-28	36	사외이사(Independent)	1. Candidate's name, date of birth, reference, relationship with the largest shareholder, and whether he or she is a candidate for outside director 2. Candidate's main occupation, career details, and transactions with the corporation concerned for the past three years 3. Whether the candidate has any record of delinquencies, experience of managing an insolvent company, and legal reasons for disqualification 4. Candidate's task fulfillment plan 5. BOD's reason for recommending the candidate	

		Date of information provision(1)	Date of AGM(2)	No. of Days between date of information provision and AGM((2)-(1))	Type of director candidates	Information provided	Note
23rd AGM	Dong-seok Cha	2024-02-23	2024-03-25	31	사내이사(Inside)	1. Candidate's name, date of birth, referee, relationship with the largest shareholder, and whether he or she is a candidate for outside director 2. Candidate's main occupation, career details, and transactions with the corporation concerned for the past three years 3. Whether the candidate has any record of delinquencies, experience of managing an insolvent company, and legal reasons for disqualification 4. Candidate's task fulfillment plan 5. BOD's reason for recommending the candidate	
	Young-han Lee	2024-02-23	2024-03-25	31	사외이사(Independent)	1. Candidate's name, date of birth, referee, relationship with the largest shareholder, and whether he or she is a candidate for outside director 2. Candidate's main occupation, career details, and transactions with the corporation concerned for the past three years 3. Whether the candidate has any record of delinquencies, experience of managing an insolvent company, and legal reasons for disqualification 4. Candidate's task fulfillment plan 5. BOD's reason for recommending the candidate	

		Date of information provision(1)	Date of AGM(2)	No. of Days between date of information provision and AGM((2)-(1))	Type of director candidates	Information provided	Note
24th AGM	Hak-cheol Shin	2025-02-17	2025-03-24	36	사내이사(Inside)	1. Candidate's name, date of birth, referee, relationship with the largest shareholder, and whether he or she is a candidate for outside director 2. Candidate's main occupation, career details, and transactions with the corporation concerned for the past three years 3. Whether the candidate has any record of delinquencies, experience of managing an insolvent company, and legal reasons for disqualification 4. Candidate's task fulfillment plan 5. BOD's reason for recommending the candidate	
	Bong-seok Kwon	2025-02-17	2025-03-24	36	기타비상무이사(Other non-executive)	1. Candidate's name, date of birth, referee, relationship with the largest shareholder, and whether he or she is a candidate for outside director 2. Candidate's main occupation, career details, and transactions with the corporation concerned for the past three years 3. Whether the candidate has any record of delinquencies, experience of managing an insolvent company, and legal reasons for disqualification 4. Candidate's task fulfillment plan 5. BOD's reason for recommending the candidate	
	Hwa-sun Cho	2025-02-17	2025-03-24	36	사외이사(Independent)	1. Candidate's name, date of birth, referee, relationship with the largest shareholder, and whether he or she is a candidate for outside director 2. Candidate's main occupation, career details, and transactions with the corporation concerned for the past three years 3. Whether the candidate has any record of delinquencies, experience of managing an insolvent company, and legal reasons for disqualification 4. Candidate's task fulfillment plan 5. BOD's reason for recommending the candidate	
	Hyun-joo Lee	2025-02-17	2025-03-24	36	사외이사(Independent)	1. Candidate's name, date of birth, referee, relationship with the largest shareholder, and whether he or she is a candidate for outside director 2. Candidate's main occupation, career details, and transactions with the corporation concerned for the past three years 3. Whether the candidate has any record of delinquencies, experience of managing an insolvent company, and legal reasons for disqualification 4. Candidate's task fulfillment plan 5. BOD's reason for recommending the candidate	

(2) For reappointed director candidates, has the company disclosed whether and how their past activities as Board members have been disclosed? If so, describe the disclosure method and details.

Information on activities of a reappointed included has been provided Y(O)

In case of reelecting a candidate, we document and disclose their past activities in the BOD in the general meeting convocation notice, as well as our quarterly business reports. This is how we make relevant information available as reference documents when appointing candidates for directorship.

C. Describe whether the company adopted a cumulative voting system. Give detailed explanations on measures and efforts the company has taken to gather opinions from minority shareholders in the process of candidate selection and appointment.

A cumulative voting system has been adopted ☒ N(X)

Pursuant to Article 20 (4) of the Articles of Incorporation, the company appoints directors in the usual manner, with shareholders exercising voting rights according to the number of their shares. Pursuant to the Commercial Act, the company guarantees the rights of minority shareholders to recommend director candidates.

D. Based on the above, describe any shortcomings in securing fairness and independence in the process of candidate recommendation and appointment. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

The company has policies in place to ensure fairness and independence in the nomination and appointment of director candidates; however, it has not adopted a cumulative voting system, taking consideration the efficiency of general meeting operations.

(2) Future plans and additional explanations

The company will provide consistent management to ensure fairness and independence within the recommendation and selection process of director recommendation and selection and make improvements upon discovering relevant deficiencies.

■ [304400] (Sub-principle 4-4) - The company shall make efforts not to appoint a person who is accountable for damaging corporate value or infringing on the shareholders' rights and interests as an executive.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Company conducts verification on relevant statutes when appointing inside and outside directors

A. Describe details about the appointment of executives, including the unregistered ones, who are responsible for damaging corporate value or infringing on the shareholders' rights and interests, including the following:

(1) Status of registered executives

Table 4-4-1: Status of Registered Executives

	Gender	Job Position	Full-time	Responsibility
Hak-cheol Shin	남(Male)	Vice Chairperson	O	Representative Director, CEO BOD chairperson Management Committee Chairperson ESG Committee member
Bong-seok Kwon	남(Male)	Vice Chairperson	X	Outside Director Nomination Committee member
Dong-seok Cha	남(Male)	President	O	CFO and CRO Management Committee member Internal Transaction Committee member
Hyun-joo Lee	여(Female)	Outside director	X	Audit Committee member ESG Committee Chairperson Outside Director Nomination Committee member
Hwa-sun Cho	여(Female)	Outside director	X	Audit Committee Chairperson ESG Committee member Internal Transaction Committee member
Kyung-hoon Chun	남(Male)	Outside director	X	Audit Committee member ESG Committee member Internal Transaction Committee Chairperson
Young-han Lee	남(Male)	Outside director	X	Audit Committee member ESG Committee member Outside Director Nomination Committee Chairperson Internal Transaction Committee member

(2) Status of unregistered executives

	Gender	Position	Full-time	Responsibilities
Jee-wong Son	Male	President	O	Head of Life Sciences Business
Dong-chun Kim	Male	Executive Vice President	O	Head of Advanced Materials Business
				Head of Advanced Materials Research Center
Jong-koo Lee	Male	Executive Vice President	O	CTO
Hyang-mok Lee	Male	Executive Vice President	O	Head of Cathode Materials Division
Gi-ryong Jang	Male	Executive Vice President	O	CHO
Yun-ju Ko	Male	Senior Vice President	O	CSSO
No-ma Kim	Male	Senior Vice President	O	Head of Platform Technology Research Center
Sang-min Kim	Male	Senior Vice President	O	Head of Petrochemicals Business
Steven Kim	Male	Senior Vice President	O	Head of ABS Division
Ho-keun Kim	Male	Senior Vice President	O	Head of Global Purchase Group
Kyung-hwa Min	Male	Senior Vice President	O	Head of IP Group
Ki-soon Park	Male	Senior Vice President	O	Head of the Global Production Center (Petrochemicals)
Byeong-cheol Park	Male	Senior Vice President	O	CSEO
Hee-sul Park	Male	Senior Vice President	O	LGCBL Subsidiary President
Ji-hong Sunwoo	Male	Senior Vice President	O	LGCYX Subsidiary President
Byeong-geun Song	Male	Senior Vice President	O	Head of Acrylic/SAP Business
				Head of Sustainability Business Division

Kyu-seok Shim	Male	Senior Vice President	O	Head of HPM Division
Su-hee Yoon	Female	Senior Vice President	O	Life Science; Head of Management Strategy Group
Kyu-ho Lee	Male	Senior Vice President	O	Head of Legal Affairs Office
Ji-woong Lee	Male	Senior Vice President	O	Corporate Development
Chang-hyun Lee	Male	Senior Vice President	O	Head of Engineering Materials Division
Hwa-young Lee	Male	Senior Vice President	O	Petrochemicals; Head of America Business
Hee-bong Lee	Male	Senior Vice President	O	Life Science; Head of Research and Development Division
Young-min Choi	Male	Senior Vice President	O	Head of Next-Generation Material Research Institute
Dong-yeob Han	Male	Senior Vice President	O	Head of PVC/Plasticizer Division
Dong-kyun Kang	Male	Senior Research Fellow	O	Next-Generation Material Research Institute Affiliate
Seong-hun Kang	Male	Vice President	O	Cathode Materials; Head of Development Group
Kyung-deok Ko	Male	Vice President	O	Head of Electronic Materials Division
Min-han Kwak	Male	Vice President	O	Engineering Materials Development
Sang-jin Kwak	Male	Vice President	O	Head of Advanced Materials & Film Business Operations Group
Sun-mo Kwon	Male	Vice President	O	Jeong-Do (right-path) Management

Hye-jin Kwon	Female	Vice President	O	HR manager
Kyung-suk Kim	Male	Vice President	O	Investor Relations Division
Kyung-hoon Kim	Male	Senior Research Fellow	O	Fundamental Technology Research Institute Affiliate
Geun-tae Kim	Male	Vice President	O	Life Science; Head of New Medicine Research Institute
Do-kyun Kim	Male	Vice President	O	Daesan Factory; Regional Executive
Do-yeon Kim	Female	Vice President	O	Business Management (Petrochemicals)
Dong-ho Kim	Male	Vice President	O	HR Management
Mi-young Kim	Female	Vice President	O	Life Science; Head of Clinical Development Group
Beom-sik Kim	Male	Vice President	O	Petrochemicals, Global Production, Yeosu; NCC1 Factory Head
Sun-ae Kim	Female	Vice President	O	LGCBL, R&D
Sung-duk Kim	Male	Vice President	O	Petrochemicals, Global Production, Daesan; PO2 Factory Head
Seong-ho Kim	Male	Vice President	O	Head of Specialty Care Division
Yang-han Kim	Male	Vice President	O	Petrochemicals, Global Production, Yeosu; Environment Safety Team 1 Manager
Yong-chul Kim	Male	Vice President	O	Global HR Manager
Wu-seong Kim	Male	Vice President	O	Cathode Materials, LFP Business

Jin-soo Kim	Male	Vice President	O	Sustainability; Marketing Manager
Hyang-myung Kim	Male	Vice President	O	Government Affairs for LGCYX
Hee-Seok Kim	Male	Vice President	O	Petrochemicals, Global Production, Head of Public Affairs Group
Ji-hye Noh	Female	Vice President	O	Head of Aesthetics Division, Aesthetics Marketing
Young-il Ma	Male	Vice President	O	Head of Task Innovation Group
Yang-tae Park	Male	Vice President	O	Petrochemicals, America; Sales Manager
Jin-yong Park	Male	Vice President	O	Digital Transformation (DX)
Hong-gyu Park	Male	Vice President	O	Advanced Materials; Head of Battery Material Development Group
Sang-deok Baek	Male	Vice President	O	NCC/PO; NCC Sales Manager
Ki-dae Byun	Male	Vice President	O	HPM, FS Business
Jin-eon So	Male	Vice President	O	Life Sciences, Head of CMC Center
Hye-won Son	Female	Vice President	O	Cathode Materials, Global T/Sales
Bu-geon Shin	Male	Senior Research Fellow	O	Advanced Materials Research Center Affiliate
Sun-shik Shin	Male	Vice President	O	Cathode Materials, Development; Product Development Manager
Young-chul Shin	Male	Vice President	O	Cathode Materials; Quality Manager

In-ho Shin	Male	Vice President	O	ABS; Marketing Manager
Jae-myeong Shin	Male	Vice President	O	Engineering Materials, Head of Overseas Business Group
Jeong-heon Ahn	Female	Vice President	O	New Materials R&D Center under Petrochemicals R&D Center
Soo-ha Yang	Female	Vice President	O	Overseas Legal Affairs Manager
Cheol-ho Yang	Male	Vice President	O	Petrochemicals; Management Strategy Manager
Tae-hun Yang	Male	Senior Research Fellow	O	Fundamental Technology Research Institute Affiliate
Sang-hyun Oh	Male	Vice President	O	Life Science; Head of Production/Quality
Hyun-seok Yoon	Male	Vice President	O	Head of America BS Group
Dong-cheol Lee	Male	Vice President	O	Petrochemicals, Global Production, Head of Yeosu Production Group
Dong-hun Lee	Male	Vice President	O	Electronic Materials; Material Development Manager
Doo-hyung Lee	Male	Vice President	O	Head of LGCOP corporate body
Sang-hyeob Lee	Male	Vice President	O	Head of Separator Business
Young-suk Lee	Male	Vice President	O	Advanced Materials; Film Business Operations Group
Yoon-ho Lee	Male	Vice President	O	Environment and safety

Jae-myung Lee	Male	Vice President	O	Petrochemicals; Head of Strategic Purchase Group
Jae-su Lee	Male	Vice President	O	Accounting manager
Jong-ho Lee	Male	Vice President	O	Petrochemicals, Head of Europe Business Group
Jun-ho Lee	Male	Vice President	O	Management planning
Chung-hun Lee	Male	Vice President	O	Head of NCC/PO business division
Hyun-gyu Lee	Male	Vice President	O	Yeosu; Regional Executive
Ho-kyung Lee	Male	Vice President	O	Technology planning
Ho-woo Lee	Male	Vice President	O	Head of Management Strategies
Hong-cheol Lee	Male	Vice President	O	Quality and innovation (Global Production, Petrochemicals)
Ye-hun Lim	Male	Senior Research Fellow	O	Fundamental Technology Research Institute Affiliate
Do-gi Jang	Male	Vice President	O	LGCWU Subsidiary President
Young-rae Jang	Female	Vice President	O	Head of Analytical Sciences Center
Hui-won Jang	Female	Vice President	O	Finance manager
Ok-young Jung	Male	Vice President	O	Cathode Materials, Head of Production Technology Group
Un-tae Jung	Male	Vice President	O	Head of LGCTA corporation
Jae-kyo Jung	Male	Vice President	O	Petrochemicals; Marketing Manager
Jong-eun Jung	Male	Vice President	O	Domestic and International Cooperation Manager

Ji-hu Jung	Female	Vice President	O	ABS; Chinese Business Manager
Cheol-ho Jung	Male	Vice President	O	Life Sciences; Head of Bio CMC Research Center
Dong-hyun Cho	Male	Vice President	O	Head of Petrochemicals R&D Center
Sung-bok Cho	Male	Vice President	O	Head of LGCBH corporation
Eun-jeong Joo	Female	Vice President	O	LGCHZ Subsidiary President
Jae-gu Joo	Male	Vice President	O	Petrochemicals, Global Production, Head of Production Technology Group
Kwang-wook Choi	Male	Senior Research Fellow	O	Next-Generation Material Research Institute Affiliate
Byeong-cheol Choi	Male	Vice President	O	Cathode Materials, LPF Business
Jong-wan Choi	Male	Vice President	O	Cheongju/Ochang; Regional Executive
Ho-yeol Choi	Male	Vice President	O	Petrochemicals, Global Production, Head of Dae san Production Group
Gap-dong Han	Male	Vice President	O	HPM, Marketing
Seok-hee Han	Male	Vice President	O	NCC/PO; PO Marketing Manager
Sung-jin Heo	Female	Vice President	O	LGCBL, New Business
Hoon Hyung	Male	Vice President	O	Water Solutions
Kyoung-eob Ho	Male	Vice President	O	Public relations
Young-shin Hwang	Male	Vice President	O	Head of Chinese BS Group
In-cheol Hwang	Male	Vice President	O	Head of Primary Care Division

(3) Does the company have a policy to prevent the appointment of any person as an executive who is responsible for the impairment of corporate value or infringement of shareholders' rights and interests? Describe the policy and its content.

Implemented ☒ Y ☐ N

As for director candidates (including candidates for unregistered directors), their achievements, expertise, and growth potential are taken into consideration comprehensively, and board approval is obtained before he or she is appointed as a director. In order to prevent anyone who is responsible for undermining corporate value or infringing upon shareholder rights from being appointed as a director, we exclude from the selection process any candidates who have issues in terms of Jeong-Do ("right path") Management or LG's Code of Ethics, or candidates who have caused a problem in terms of quality, environment, or safety. Furthermore, those who have been penalized with a suspension or a more severe form of disciplinary action in accordance with the company's disciplinary policies are banned from promotion or appointment into any position for a certain period of time.

When appointing outside directors, the company evaluates a pool of director candidates based on the criteria for disqualification of outside directors as required by relevant laws, such as Article 382 (3) and 542-8 (2) of the Commercial Act, and undergoes a thorough verification process consisting of interviews with related departments and documents to prove their ability to make a significant contribution as a director based on their practical experience and expertise. The directors are presented as outside director candidates at a general meeting of shareholders after the Outside Director Nomination Committee undergoes recommendation and resolution processes.

In addition to the requirements prescribed by applicable laws and regulations, we make a close and thorough review to make sure that anyone who is responsible for undermining corporate value or infringing upon shareholder rights, such as receiving any administrative or judicial sanctions for a violation of laws, will not be appointed as a director of the company. We submit candidates to general meetings of shareholders after validating the expertise and personal competences of all candidates that are required to make substantial contributions to business management.

(4) Has the company appointed any person as an executive who has ever been indicted or found guilty in the final judgment for embezzlement, breach of trust, or unfair trading under the Financial Investment Services and Capital Markets Act, unfair assistance or tunneling under the Fair Trade Act, or whom the Securities and Futures Commission has proposed to dismiss for violating the accounting standards under the Act on External Audit of Stock Companies?

Not applicable.

(5) Has there been any shareholder derivative lawsuits filed between the start of the period subject to disclosure to the report submission date? If so, describe it and its current status.

No lawsuits have been filed against the representative shareholder from the starting point of the period for disclosure to the point of report submission and the status of handling.

B. Based on the above, describe any shortcomings in the company's efforts to prevent those who are responsible for damaging corporate value or infringing on the shareholders' rights and interests from being appointed as executives. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

As described above, the company runs through verifications to prevent the nomination of those who are responsible for undermining the company's value or infringing upon shareholder rights.

(2) Future plans and additional explanations

We will continue to make efforts not to nominate those who are responsible for undermining the company value or infringing upon shareholder rights.

[305000] (Core Principle 5) Outsider directors shall be able to independently participate in important corporate management decision-making, and to supervise and support the management as board members.

■ **[305100] (Sub-principle 5-1) - Outside directors shall not have any material interest with the company; the company shall check whether a director candidate has any interest with it at the appointment stage.**

Briefly describe the company's compliance with the above sub-principle (40 words or less).

The company's outside directors have no important relations of interest with the company.

A. Describe any interests between the company and an outside director who is incumbent as of the report submission date, including the following:

(1) Has anyone of the outside directors had ever been employed by the company or its affiliated companies? If so, describe the details.

Not applicable.

Table 5-1-1: Outside Directors' Term Served as of the Report Submission Date

	Term served at the company (Months)	Term served at the company and its affiliates (Months)
Hwa-sun Cho	38	38
Hyun-joo Lee	38	38
Kyung-hoon Chun	26	26
Young-han Lee	14	14

(2) In the past three years, have there been any transactions between the company (including its affiliates) and the outside director, or with the corporation in which the outside director holds the largest shares? If so, describe the details.

Not applicable.

(3) In the past three years, have there been any transactions between the company and any corporation in which the outside director has worked as an executive or staff member? If so, describe the details.

Not applicable.

(4) Does the company have procedures and relevant regulations to verify the details of the aforementioned transactions? If so, describe the details.

Implemented ☒ Y ☐ N

When appointing outside directors, the company first collects publicly known information on the outside director candidates. Then, the company conducts initial screening to verify disqualification criteria, and rigorously assesses qualifications through interviews and reference checks. In addition, after the appointment of outside directors, the company also conduct periodic surveys to verify transaction histories with our company and its affiliates through the internal accounting system.

B. Based on the above, describe any shortcomings in the efforts to appoint outside directors who do not have material interests with the company. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

As described above, the company thoroughly verifies the important relations of interest shared with outside directors from the stage of their nomination.

(2) Future plans and additional explanations

We will continue to make efforts to thoroughly verify and prevent the important relations of interest shared with outside directors from the stage of their nomination, and make improvements if deficiencies are found related to our efforts.

■ [305200] (Sub-principle 5-2) - Outside directors shall devote sufficient time and effort to faithfully performing their duties.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Our outside directors comply with the relevant legal requirements regarding concurrent positions

A. Explain overall matters related to the job performance of outside directors, including the following:

(1) Does the company have internal standards regarding the allowance of outside directors to hold concurrent positions with other companies? If so, describe it.

Implemented Y(O)

In accordance with Article 34 of the Enforcement Decree of the Commercial Act, the company permits outside directors to concurrently serve on the board of one additional company besides LG Chem. The company regularly verifies the status of each outside director's concurrent positions and conducts legal reviews to ensure that none of them are subject to disqualification.

(2) Describe the status of outside directors' concurrent employment with other companies as of the report submission date.

The status of concurrent positions is detailed in the table below.

Table 5-2-1: Status of Outside Directors' Concurrent Employment

	Audit Committee Member	Date of initial appointment	Date of term expiration	Current position	Concurrent E	
					Name of the institution	Position
Hwa-sun Cho	O	2022-03-23	2028-03-24	Professor, Department of Political Science and International Studies, Yonsei University	KIA	Outside director Audit Committee member
Hyun-joo Lee	O	2022-03-22	2028-03-24	Professor, Department of Chemical and Biomolecular Engineering, KAIST	The Korean Institute of Chemical Engineers	Director
Kyung-hoon Chun	O	2023-03-28	2026-03-28	Professor at Seoul National University School of Law	N/A	N/A
Young-han Lee	O	2024-03-25	2027-03-25	Professor at University of Seoul Department of Science in Taxation	Hyundai Engineering	Outside director Audit Committee member

B. Based on the above, if an outside director is not devoting sufficient time and efforts to faithfully performing his or her duties, explain the reason(s) and future plans.

(1) Shortcomings and the reason(s)

As stated above, there are no identified shortcomings.

(2) Future plans and additional explanations

We will continue to regularly monitor the status of concurrent positions held by its outside directors.

■ [305300] (Sub-principle 5-3) - The company shall provide outside directors with the sufficient amount of information, resources, etc. that are necessary to fulfill their duties.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Company operates the BOD Secretariat of 1 executive, 1 team manager, and 2 working-level employees

A. Describe the company's policies to support outside directors in fulfilling their duties and their specific operating status, including the following:

(1) Has the company been providing outside directors with human and material resources and internal information?

The company's outside directors have constant access to support from the BOD Secretariat and may request and receive necessary information at any time.

New outside directors are provided with company introductions and information regarding the operation of the Board through separate seminars or orientations before assuming their duties. During their term, they are given detailed explanations and information necessary to understand agenda items during pre-briefings and receive on-site experience through business site visits during workshops.

In addition, outside directors can request necessary internal information at any time via email or phone, and the BOD Secretariat responds to such requests promptly and thoroughly.

(2) Does the company have dedicated staff to respond to outside directors' requests for information (materials)?

There are dedicated staff members Y(O)

In accordance with Article 17 of the Board of Directors Regulations, the company has established a BOD Secretariat to support the activities of outside directors in both the Board and its committees. The BOD Secretariat consists of one executive, one team leader, and two working-level staff members.

In addition, each committee within the Board has a dedicated support office to provide specialized assistance tailored to the committee's needs. (Please refer to Table 4-1-1 for details on the structure and staffing of these support organizations.)

(3) Does the company provide training necessary for outside directors to perform their duties? If so, describe it and the current status of the training provided.

Training is provided Y(O)

The company holds a separate seminar for newly appointed outside directors to provide an overview of the company's business structure, financial performance, and matters related to the Board and Audit Committee, supporting their early adaptation to their roles.

Additionally, the company hosts an annual board workshop, during which board members visit key domestic and overseas business sites to receive business briefings and participate in line tours, offering firsthand experience of on-site operations.

In March 2022, we hosted a workshop to support experiences that would help outside directors understand our company's operations' status, including reports on the Yeosu Factory and tours of Yongseong Complex 2. In March 2023, we held a workshop at the Yeosu Factory. In March 2024, another workshop was held at the Osan Leadership Center to offer helpful experiences to outside directors to assist their understanding of the status of our company's operations, which included reports on the Cheongju Factory and briefings on the cathode material process and tours of the production line.

We report the statuses and issues of the company's primary businesses to the BOD every quarter to ensure that all outside directors fully grasp the company's businesses.

(4) Have there been any meetings attended only by outside directors convened separately from the Board meetings that were held between the start of the period subject to disclosure to the report submission date? If so, describe the details.

Separate meetings of outside directors are convened Y(O)

The company holds meetings where only outside directors participate, without inside directors, to be pre-briefed on the agenda items from executives or working-level staff and discuss them among themselves.

The following table shows the meetings held to report to outside directors prior to board meetings, from the starting business year of the target disclosure period until the day of filing disclosure documents.

Table 5-3-1: Details of Meetings Attended Only by Outside Directors

	Regular / Extraordinary	Date of meeting	No. of attended outside directors	Total No. of outside directors	Meeting agenda	Note
24-1st	정기(AGM)	2024-01-26	4	4	Agenda items for the January BOD and Audit Committee meetings	
24-2nd	정기(AGM)	2024-02-26	4	4	Agenda items for the February BOD and Audit Committee meetings	
24-3rd	정기(AGM)	2024-03-22	4	4	Agenda items for the March BOD meeting	
24-4th	정기(AGM)	2024-04-26	4	4	Agenda items for the April BOD and Audit Committee meetings	
24-5th	정기(AGM)	2024-07-22	4	4	Agenda items for the July BOD meeting	
24-6th	임시(EGM)	2024-08-20	4	4	Agenda items for the August BOD meeting	
24-7th	정기(AGM)	2024-10-24	4	4	Agenda items for the October BOD and Audit Committee meetings	
24-8th	정기(AGM)	2024-11-15	4	4	Agenda items for the November BOD meeting	
25-1st	정기(AGM)	2025-01-23	4	4	Agenda items for the February BOD and Audit Committee meetings	
25-2nd	정기(AGM)	2025-02-13	4	4	Agenda items for the February BOD and Audit Committee meetings	
25-3rd	정기(AGM)	2025-03-20	4	4	Agenda items for the March BOD meeting	
25-4th	정기(AGM)	2025-04-24	4	4	Agenda items for the April BOD and Audit Committee meetings	
25-5th	임시(EGM)	2025-05-13	4	4	Agenda items for the May BOD meeting	

B. Based on the above, describe any shortcomings in the company's support necessary for outside directors to fulfill their duties and provide the details. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

As mentioned above, we provide outside directors with sufficient information and resources required to fulfill their duties, including support to help newly appointed outside directors understand the status of business management as early as possible, visits to Korean and overseas business sites in person, and briefing on board agendas through the Board Secretariat (dedicated organization).

(2) Future plans and additional explanations

We will continue to provide outside directors with the necessary information and resources to perform their duties effectively.

[306000] (Core Principle 6) To promote active performance of duties by the outside directors, their activities shall undergo fair evaluation; and the decisions on their remuneration and reappointment shall be made on the basis of the outcomes of such evaluation.

■ **[306100] (Sub-principle 6-1) - The evaluation of outside directors shall be done based on their individual performance, and the evaluation results reflected in the decision on their reappointment.**

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Outside director reappointment is based on individual performance evaluations

A. Describe whether the evaluation of individual outside directors is conducted and the results are taken into consideration for reappointment, including the following:

(1) Does the company evaluate outside directors individually? If so, describe the method in detail.

Outside directors are individually evaluated ☒ Y ☐ O

The BOD Secretariat and HR Department comprehensively evaluate outside directors who end their terms on various criteria, which include their attendance at board meetings, thorough review and constructive contributions to agenda items, and whether they made effective recommendations. They are also evaluated on whether they provided appropriate advice as industry experts in crucial management decision-making and their contribution as audit committee members to the company's internal control and oversight of significant financial risks.

(2) Does the company have measures to ensure fairness in the evaluation of outside directors? If so, describe them in detail.

To ensure the fairness of the evaluation, the company runs the evaluation by comprehensively collecting the opinions of inside directors, the BOD Secretariat, and HR departments.

(3) Does the company reflect the evaluation results of outside directors in their re-appointment?

Evaluations are reflected in the decision on the reappointment ☒ Y ☐ O

The results according to the items of evaluation above are applied to the reappointment of outside directors.

B. Based on the above, if the company does not conduct an evaluation of outside directors or does not reflect the evaluation results in the re-appointment decision, explain the reason(s) and future plans.

(1) Shortcomings and the reason(s)

As described above, the company evaluates outside directors comprehensively based on their individual performance and applies the results to the decision of their reappointment.

(2) Future plans and additional explanations

We will continue to evaluate outside directors and make improvements if the evaluation items, methods, or other relevant elements are found to be inadequate.

■ [306200] (Sub-principle 6-2) - The remuneration of outside directors shall be determined at an appropriate level, considering their evaluation results, responsibilities, risks in performing their duties, etc.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Compensation for outside directors depends on conditions of businesses within the same industry

A. Explain the remuneration of outside directors, including the following:

(1) Describe the details of the remuneration policy for outside directors, background behind the establishment of the policy, and the specific basis for calculating remuneration.

A remuneration policy is established for outside directors ☒ Y ☐ O

In accordance with Article 388 of the Commercial Act, all outside directors are paid the same amount (KRW 9.6 million as of 2024) within the total director remuneration limit approved at the general meeting of shareholders. No performance-based bonuses or retirement benefits are provided based on outside directors' activity evaluations. The company's compensation for outside directors does not include stock options, either.

(2) Did the company grant stock options? If so, describe the specific details regarding their quantity and exercise conditions.

Stock options are granted ☐ N ☒ X

Stock options are linked to job performance ☐ N ☒ X

The company's compensation for outside directors does not include stock options.

B. Based on the above, describe any shortcomings in determining the appropriate level of remuneration based on the outside directors' evaluation results, as well as their responsibilities, risks, and other factors in performing their duties. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

The same compensation is provided to outside directors in consideration of their independence; however, their individual evaluation results are a factor in deciding their reappointment.

(2) Future plans and additional explanations

We will continue to consider outside directors' independence and determine the appropriate level of their compensation.

[307000] (Core Principle 7) The Board shall be operated efficiently and rationally to ensure that the management decisions are made in the best interests of the corporation and shareholders.

■ [307100] (Sub-principle 7-1) - In principle, the Board shall be convened regularly, and the Board' operating regulations shall be prepared to specify its authority, responsibilities, operating procedures, etc.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

The company's Board of Directors is convened on a regular basis, and its authority, responsibilities

A. Describe the overall operation of the Board, including the following:

(1) Does a board meeting be convened on a regular basis? If so, describe the details of the regulations related to the operation of the Board.

Board meetings are convened on a regular basis ☒ Y ☐ O

Regulations that govern the board operation are in place ☒ Y ☐ O

In accordance with Article 26 of the Articles of Incorporation and Article 8 of the company's Board Regulations, the BOD is required to meet every quarter. From January through March, however, board meetings are held every month to meet the requirements of Article 447-3 of the Commercial Act, which include the duty to submit financial statements to the Audit Committee six weeks before the general shareholders' meeting and attain board approval for the statements, obtain prior board approval for agenda items to be presented at the general meeting, and convene an annual general meeting of shareholders in March.

In addition, when non-regular agenda items arise that cannot be addressed during scheduled board meetings, the company convenes extraordinary board meetings as needed.

According to the company's BOD regulations, the Chairperson convenes the board meetings (Article 9 (1)), and each director must be notified of the meeting at least 12 hours in advance (Article 10 (1)), among other specific provisions governing board operations.

(2) Describe the information on regular and extraordinary board meetings convened between the start of the period subject to disclosure to the report submission date.

The following is the information on regular and temporary BOD meetings from the starting point of the period for disclosure to the point of report submission.

Table 7-1-1: Details of the Board Meetings Convened

	No. of meetings convened	Average period between agenda notification and meeting date (Days)	Average attendance rate of directors (%)
Regular	11	6	100
Extraordinary	2	5	100

B. Describe the policies that the company provides to assist the Board in making the best decisions, including the following:

(1) Did the company establish the remuneration policy linked to each executive officer's performance and disclose it?

The remuneration policy for executive officers is in place ☒ Y(O)

The remuneration policy is disclosed ☐ N(X)

The company provides performance incentives based on the executive's group and performance evaluations.

For the CEO, compensation is determined based on the organization's evaluation results of financial performance, key initiatives, and talent development and is approved by the BOD before remuneration.

In the case of executives other than the CEO, their compensation is determined through the organization's evaluation results of financial performance and critical initiatives. This compensation is approved by the Board of Directors, and within the approved budget, performance incentives are paid differentially based on each executive's individual evaluation results.

The executive performance evaluation system and the basis of calculating relevant resources are reported to the BOD; the company operates a process to utilize the remuneration of performance incentives to its decision-making.

The company does not disclose its executive compensation policy on its website or through other external channels.

(2) Did the company take out the Directors & Officers Liability Insurance policy?

The company took out the insurance policy ☒ Y(O)

To safeguard against financial losses incurred by shareholders and third parties due to potential misconduct-such as breach of duty, misrepresentation, or failure to exercise due care-arising from executives' management activities, the company maintains directors and officers (D&O) liability insurance with a coverage limit of USD 10 million.

However, to prevent misuse of this insurance as a means of evading personal responsibility, coverage excludes fines, penalties, and other liabilities resulting from fraudulent or criminal acts.

(3) Does the company consider the interests of stakeholders that affect its continued growth and medium- to long-term interests?

Stakeholders are taken into consideration ☒ Y(O)

LG Chem acknowledges that the perspectives of various stakeholders, including corporate shareholders, are expanding to encompass not only economic value creation but also the pursuit of social value. To internalize "sustainability," which is a concept that encompasses financial and non-financial values, as a core value of our growth, we established the ESG Committee within the BOD in April 2021. Furthermore, to ensure the BOD is not limited to only representing specific interests, we have appointed two female outside directors and included experts from various fields in the BOD. This move highlights our initiative to consider diverse stakeholders in the company's decision-making processes.

C. Based on the above, describe any shortcomings such as a lack of the Board operating regulations that provide the basis for convening the Board meetings on a regular basis, or a failure to notify the convocation of Board meetings sufficiently in advance. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

There are no shortcomings to report.

(2) Future plans and additional explanations

We will continue to ensure that the Board of Directors is managed effectively, without any shortcomings.

■ [307200] (Sub-principle 7-2) - The Board shall keep detailed minutes of each meeting and disclose the activities of individual directors, including their attendance at meetings, whether they voted for or against each agenda item, etc.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Company prepares minutes for every board meeting and discloses attendance rates and voting records.

A. Describe the creation and preservation of the records of Board meetings and disclosure of the activities of individual directors, including the following:

(1) Does the company create and preserve detailed minutes and transcriptions of the Board meetings? Does it have applicable regulations regarding the creation and preservation of the records?

Implemented Y(O)

In accordance with Article 391-3 of the Commercial Act and Article 16 of the Board of Directors (BOD) regulations, the company prepares written minutes for every BOD meeting. These minutes include the agenda items, proceedings, outcomes, and the names and reasons of any directors who dissented, and are signed or sealed by all attending directors.

Given that the minutes contain detailed records of the discussions and resolutions of the board, and that key discussion points are documented separately, the company does not prepare audio recordings of board meetings.

(2) Does the company record the main content of the discussions and resolutions made at the Board meetings by each individual director?

Implemented N(X)

In terms of taking minutes of meetings, the company prepares minutes by documenting what has been discussed and resolved at board meetings, but we have not recorded them on a director-specific basis. When directors have objections, however, we plan to record their objections separately for each director, as required by Article 391-3 (2) of the Commercial Act.

(3) Give the details about individual directors' attendance at the Board meetings and the approval rate of each agenda item over the last three years.

The following is the individual director's attendance rates and their ratios of "For" votes for the past three years.

Table 7-2-1: Directors' Attendance at the Board Meetings and Approval Rate of Agenda Items for the Last Three Years

	Type	Years of service in the Board	Attendance Rate (%)				Approval Rate (%)			
			3-year Average	Last 3 Years			3-year Average	Last 3 years		
				Current Year	Previous Year	Year Before Last		Current Year	Previous Year	Year Before Last
Hak-cheol Shin	사내이사(Inside)	March 15, 2019 ~ present	100	100	100	100	100	100	100	100
Dong-seok Cha	사내이사(Inside)	March 20, 2020 ~ present	100	100	100	100	100	100	100	100
Bong-seok Kwon	기타비상무이사(Other non-executive)	March 23, 2022 ~ present	97	100	91	100	100	100	100	100
Hwa-sun Cho	사외이사(Independent)	March 23, 2022 ~ present	100	100	100	100	100	100	100	100
Hyun-joo Lee	사외이사(Independent)	March 23, 2022 ~ present	100	100	100	100	100	100	100	100
Kyung-hoon Chun	사외이사(Independent)	March 28, 2023 ~ present	100	100	100		100	100	100	
Young-han Lee	사외이사(Independent)	March 25, 2024 ~ present	100	100			100	100		
Mun-su Kim	사외이사(Independent)	March 18, 2018 ~ March 25, 2024	96	50	100	100	100	100	100	100

	Type	Years of service in the Board	Attendance Rate (%)				Approval Rate (%)			
			3-year Average	Last 3 Years			3-year Average	Last 3 years		
				Current Year	Previous Year	Year Before Last		Current Year	Previous Year	Year Before Last
Dong-min Jung	사외이사(Independent)	March 17, 2017 ~ March 28, 2023	92		100	91	100		100	100
Young-ho Ahn	사외이사(Independent)	March 18, 2016 ~ March 23, 2022	100			100	100			100
Kuk-heon Cha	사외이사(Independent)	March 18, 2016 ~ March 23, 2022	100			100	100			100

(4) Does the company disclose the activities of individual directors aside from regular disclosures? If so, describe the details and its method.

Disclosed ☒ N(X)

The company discloses the attendance and "For" votes of the individual director at its regular public disclosure; however, no other disclosures are made regarding their activities.

B. Based on the above, describe any shortcomings in creation and preservation of the records of the Board meetings and disclosure of the activities of individual directors. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

The company prepares detailed minutes for every board meeting and discloses individual directors' attendance rates and their votes on each agenda item. Accordingly, there are no shortcomings to report.

(2) Future plans and additional explanations

We will make improvements if deficiencies are found in this regard.

[308000] (Core Principle 8) For an efficient operation, the Board shall establish internal committees which are responsible for the performance of specific functions and roles.

■ **[308100] (Sub-principle 8-1) - A majority of the members of the committees of the Board shall be outside directors, with the Audit Committee and the Compensation (Remuneration) Committee consisting entirely of outside directors.**

Briefly describe the company's compliance with the above sub-principle (40 words or less).

All the Committees within BOD are of a majority of outside directors.

A. Describe the composition of the members of committees of the Board, including the following:

(1) Do outside directors make up a majority of each committee of the Board?

Implemented ☒ Y(O)

The Outside Director Nomination Committee has three members in total, two of whom are outside directors. Four of the five members of the ESG Committee are outside directors, whereas the entire Audit Committee members are outside directors. Four of the five members of the Internal Transaction Committee are outside directors.

However, the Management Committee is tasked with reviewing matters delegated by the Board of Directors and other routine management issues. Given the nature of its purpose and authority, outside directors are not appointed as committee members.

(2) Are the Audit Committee and the Remuneration (Compensation) Committee composed entirely of outside directors?

Implemented ☒ Y(O)

The entire Audit Committee members are outside directors. Articles 542-11 and 415-2 of the Commercial Act and our Audit Committee Regulations require outside directors to account for at least two-thirds of the members, but we make up the entire Audit Committee with outside directors in order to secure independence for the members, which is stricter than required by relevant regulations.

B. Based on the above, describe any shortcomings in the composition of the committees of the Board. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

The Management Committee reviews routine management matters such as bond issuance and individual borrowings within the annual limit approved by the Board of Directors. For operational efficiency, it is composed of two inside directors.

(2) Future plans and additional explanations

If circumstances require a change in the composition of the committee, such changes will be reflected accordingly.

■ [308200] (Sub-principle 8-2) - The organization, operation, and authority of all committees shall be explicitly stipulated in the text, and the committees shall report their resolutions to the Board.

Briefly describe the company's compliance with the above sub-principle (40 words or less).
Each committee's rules are documented, and resolutions are reported to the board

A. Describe the organization and operation of the committees of the Board, including the following:

(1) Does the company have the explicit provision on the organization, operation, and authority of the committees of the Board? If so, describe it in detail.

The company has the express provision Y(O)

All committees under our BOD operate in accordance with written regulations, each of which specifically sets forth the duties and authorities of the committee, its composition, convocation procedures, and items submitted.

(2) Are the resolutions of the committees be reported to the Board?

Reported Y(O)

In accordance with Article 392-2 (4) of the Commercial Act and the respective regulations of each committee, resolutions passed by committees are reported to the Board of Directors.

Specifically, the Audit Committee, considering its independence and oversight role over the Board, provides individual notifications of its resolutions to each director (Article 10 (6) of the Audit Committee Regulations). The Internal Transaction Committee and the ESG Committee report the outcomes of their meetings at the next Board meeting (Article 3 (2) of the Internal Transaction Committee Regulations, Article 3 (2) of the ESG Committee Regulations). The Management Committee reports its resolutions to the Board at least once every six months (Article 13 of the Management Committee Regulations).

Resolutions by the Outside Director Nomination Committee are reported to the Board when matters related to the nomination of outside director or candidates are submitted as agenda items for approval at the general meeting of shareholders.

(3) Describe the status of reporting the resolutions of each committee of the Board between the start of the period subject to disclosure to the report submission date.

The following is the status of each committee's resolutions that have been reported to the BOD from the starting point of the period for disclosure to the point of report submission.

Table 8-2-1: Director Recommending Committee Meetings Convened

		Date of meeting	No. of Attendees	Quota	Agenda		Approval	Reported to the Board
					Type	Content		
2024 First round of 2024 outside director candidate nomination	1	2024-02-13	3	3	결의(Resolution)	Nomination of an outside director candidate (draft)	가결(Approved)	O

		Date of meeting	No. of Attendees	Quota	Agenda		Approval	Reported to the Board
					Type	Content		
2025 First round of 2024 outside director candidate nomination	1	2025-02-13	3	3	결의(Resolution)	1. Appointment of the Outside Director or Nomination Committee Chairpers on (draft) 2. Nomination of an outside director candidate (draft)	가결(Approved)	O
2025 Second round of 2025 outside director candidate nomination	2		3	3	결의(Resolution)	Appointment of the Outside Director Nomination Committee Chairperson (draft)		

Table 8-2-2: Risk Management Committee Meetings Convened

		Date of meeting	No. of Attendees	Quota	Agenda		Approval	Reported to the Board
					Type	Content		
N/A								

Table 8-2-3: Internal Transaction Committee Meetings Convened

		Date of meeting	No. of Attendees	Quota	Agenda		Approval	Reported to the Board
					Type	Content		
2024 Internal Transaction Committee's 1st meeting	1	2024-07-22	4	4	보고(Report)	Report on the internal transactions executed in the first half of 2024	기타(Other)	O
2024 Internal Transaction Committee's 2nd meeting	1	2024-11-15	4	4	결의(Resolution)	Approval of real estate lease contract	가결(Approved)	O
	2	2024-11-15	4	4	결의(Resolution)	Approval for the limit on the total amount of transaction with parties of special interests	가결(Approved)	O
	3	2024-11-15	4	4	결의(Resolution)	Approval of self-dealings with affiliates, etc.	가결(Approved)	O
	4	2024-11-15	4	4	결의(Resolution)	Approval of large-scale internal transactions with affiliates	가결(Approved)	O
	5	2024-11-15	4	4	보고(Report)	Report on the estimated internal transaction execution details in 2024	기타(Other)	O
	6	2024-11-15	4	4	보고(Report)	Report on the "Review of Evaluation Risks" related with transactions subject to regulations against illegal profit-taking in 2025	기타(Other)	O
2025 Internal Transaction Committee's 1st meeting	1	2025-01-23	4	4	결의(Resolution)	Approval for the limit on the total amount of transaction with parties of special interests	가결(Approved)	O
	2	2025-01-23	4	4	결의(Resolution)	Approval of large-scale internal transactions with affiliates	가결(Approved)	O
2025 Internal Transaction Committee's 2nd meeting	1	2025-03-20	4	4	결의(Resolution)	Approval of large-scale internal transactions with affiliates	가결(Approved)	O

(4) Provide details of other committees of the Board (utilize the table above as needed)

[Management Committee]							
Category	Date convened	Attending members	Quota	Agenda		Voting result	Report to BOD
				Category	Description		
2024 Management - 1 st	2/5/2024	2	2	Resolution	Issuance of LG Chem's non-secured private bonds (Nos. 57-1, 57-2, and 57-3)	Approved	O
2025 Management - 1 st	1/7/2025	2	2	Resolution	Issuance of LG Chem's non-secured private bonds (Nos. 58-1, 58-2, and 58-3)	Approved	O
2025 Management - 2 nd	4/24/2025	2	2	Resolution	Provision of payment guarantee for LGCPN corporation's borrowings	Approved	O

[ESG Committee]							
Category	Date convened	Attending members	Quota	Agenda		Voting result	Report to BOD
				Category	Description		
2024 ESG - 1 st	4/29/2024	5	5	Report	Report on public disclosure of sustainability (draft)	Other	O
	4/29/2024	5	5	Report	Report on compliance risk management system	Other	O
2024 ESG - 2 nd	11/21/2024	5	5	Report	Report on global sustainability trends and LG Chem's governance and engagement enhancement strategies	Other	O
	11/21/2024	5	5	Report	Report on the current status of compliance risk management	Other	O
2025 ESG - 1 st	4/28/2025	5	5	Resolution	Appointment of ESG Committee Chairperson (draft)	Approved	O
	4/28/2025	5	5	Report	Report on the status of eco-friendly material/fuel technology development	Other	O
	4/28/2025	5	5	Report	Report on the current status of compliance risk management	Other	O

B. Based on the above, describe any shortcomings in the establishment of explicit provisions for operation of the committees of the Board or in the reporting of the resolutions to the Board. Explain the reason(s) for the shortcomings and plans for improvement.

(1) Shortcomings and the reason(s)

There are no shortcomings to report.

(2) Future plans and additional explanations

Resolutions of the Outside Director Nomination Committee will also be reported to the Board of Directors as a separate agenda item, consistent with the practices of other committees.

[400000] 4. Audit Systems

[409000] (Core Principle 9) Internal auditing bodies, such as the audit committee and auditors, shall perform their auditing duties faithfully by maintaining independence from the management and controlling shareholders, and the details of key activities of internal auditing bodies shall be disclosed.

■ **[409100] (Sub-principle 9-1) - Internal auditing bodies, such as the audit committee and auditors, shall be independent and have expertise.**

Briefly describe the company's compliance with the above sub-principle (40 words or less).

The audit committee maintains independence and expertise, with sufficient support such as training.

A. Describe the composition of the internal auditing bodies, including the following:

(1) Describe the composition of the internal auditing bodies.

The Audit Committee is in place ☒ Y ☐ N

Pursuant to 415-2 and 542-11 of the Commercial Act and Article 4 of the Audit Committee Regulations, the Audit Committee should be composed of three directors or more, two-thirds of whom should be outside directors and at least one should be an expert in accounting or finance. As of the date this report was submitted, the company's Audit Committee consists entirely of four outside directors, including accounting and legal experts who present independent opinions regarding the management's reasonable business judgments.

[Note]

1. The table below has been prepared based on information as of May 31, 2025.

Table 9-1-1: Composition of the Internal Auditing Bodies

	Composition		Audit-related experience and qualifications	Note
	Job position	Type		
Hwa-sun Cho	Chairperson	사외이사(Independent)	<ul style="list-style-type: none"> - Political Science and International Studies, Yonsei University - Former assistant professor, Graduate School of Public Policy and Information Technology, Seoul National University of Science and Technology - Current Policy Advisory Committee member, Ministry of Personnel Management - Current Advisory Committee Member, Anti-Corruption and Civil Rights Commission - Current member of the Korean Academy of Science and Technology (Faculty of Policy) - Current professor, Department of Political Science and International Studies, Yonsei University 	4/28/2025 Appointed as Chairperson of Audit Committee

	Composition		Audit-related experience and qualifications	Note
	Job position	Type		
Hyun-joo Lee	Member	사외이사(Independent)	<ul style="list-style-type: none"> - Chemical Engineering, Seoul National University - Master's in Chemical Engineering, Caltech - Ph.D. in Chemical Engineering, Caltech - Postdoctoral program, UC Berkeley - Former assistant/associate professor, Department of Chemical and Biomolecular Engineering, Yonsei University - Current professor, Department of Chemical and Biomolecular Engineering, KAIST 	-
Kyung-hoon Chun	Member	사외이사(Independent)	<ul style="list-style-type: none"> - Seoul National University Department of Law - Master's and Ph.D from Seoul National University Department of Law - Master's in Law, Duke University - Passed the 35th judicial examination - Former assistant/associate professor, Seoul National University School of Law - Current Professor at Seoul National University School of Law 	-
Young-han Lee	Member	사외이사(Independent)	<ul style="list-style-type: none"> - Business Administration, Yonsei University - Master's and Ph.D. in Business Administration from Yonsei University - Former member of the national tax deliberation committee in the Jungbu Regional Tax Office - Former member of the board of supervisors at the Financial Services Commission - Former member of the KOSDAQ market committee at the Korea Exchange. - Current professor at University of Seoul Department of Science in Taxation 	Accounting and finance expert

(2) Describe the policies for ensuring independence and expertise of the internal auditing bodies

Accounting or finance experts are included in the Committee Y(O)

In order to ensure independence and expertise for the Audit Committee, the company nominates outside directors from a pool of candidates validated by the Outside Director Nomination Committee. Furthermore, we have institutional mechanisms in place that virtually exclude such directors from the Outside Director Nomination Committee in effort to prevent the committee from getting involved directly in management or prevent an outside director whose term is about to expire from having him/herself nominated. We implement the appointment process by employing these institutional systems to select Audit Committee members from a pool of independent and knowledgeable outside directors. This enables Audit Committee members to perform their natural roles as auditors ensuring the company's smooth operation of businesses and accounting processes. In addition, the company validates eligibility requirements rigorously, taking into account the composition of the Audit Committee and the roles of each member at the time of the appointment process, so that the most optimal in terms of independence and expertise can be selected.

Serving as a professor of taxation and accounting and the dean of the Graduate School of Science in Taxation of University of Seoul, Young-Han Lee is an accounting, taxation, and finance expert who actively carries out research and industry-academia collaboration projects.

B. Describe the operation of the internal auditing bodies, including the following:

(1) Does the company have separate regulations governing the operational objectives, organization, authority, and responsibilities of the internal auditing bodies? If so, describe them with the details.

Regulations regarding the internal auditing bodies are in place Y(O)

The Audit Committee audits accounting and other major business management activities, assesses the operational status of the internal accounting management policy as well as the internal supervisory monitoring system, and supervises directors and the management in fulfilling their duties, thereby ensuring that they make reasonable management decisions. The company strives to secure the Audit Committee's independence by communicating with external auditors every quarter, without the management present. The Audit Committee Regulations ensure that the committee maintains objectivity from an independent position from the BOD, management, and other business execution bodies when performing their duties as auditors. The Audit Committee Regulations are available on our website.

LG Chem Audit Committee Regulations:
<https://www.lgchem.com/company/investment-information/management-information/committee>

The specific roles of Audit Committee members are defined as follows, under Article 11 of the Audit Committee Regulations.

Category	Key matters that require board approval
Matters concerning general meetings of shareholders	Call to convene an EGM Statements on proposed agenda items for a general meeting of shareholders and related documents
Matters concerning the BOD and directors	Obligation to report to the BOD Preparation and submission of an audit report Injunction against an unlawful act committed by a director Request for a director to provide a business report Matters delegated by the BOD Call to convene a board meeting
Matters concerning audits	Investigation of tasks and assets Investigation of subsidiaries Acceptance of reports from directors Representation of the company in a lawsuit between a director and the company Decision on the filing of a lawsuit upon receiving a request by minority shareholders against a director Reviews for the purpose of selecting an auditor Request to select, change or dismiss an auditor Acceptance of reports from auditors on any misconduct or material facts that violate relevant laws and regulations or the Articles of Incorporation Acceptance of reports from auditors on any violations of accounting processing standards and rules by the company Evaluation of audit plans and results as well as auditors' audit activities and check of corrective action taken based on audit results Feasibility review of changes in material accounting processing standards or accounting estimates Enactment of or amendment to internal accounting management regulations Assessment of the internal accounting management policy operational status Assessment of the internal supervisory monitoring system operational status Consent to the appointment or dismissal and evaluation of the head of an Audit Committee supporting department
Others	Other matters prescribed in the laws or the Articles of Incorporation or matters delegated by the BOD as well as matters required to address these matters Other important matters that the CEO considers necessary to report to the Audit Committee

(2) Does the company provide training necessary to perform the audit?

Training is provided for the auditing bodies Y(O)

The company provides regular training to support the effective performance of the Audit Committee's duties. We hold an Audit Committee workshop once a year to brief the members on the contents of applicable laws and their amendments, including the Act on External Audit of Stock Companies, as well as to train them in such matters as ways of strengthening internal control, external auditors' activities, and plans for running the committee. Through these educational programs, the company emphasizes the roles and responsibilities of Audit Committee members and supports the members to fulfill them.

Date / Duration	Organized by	No. of Audit Committee members attended	Key training details
Jan. 31, 2024 / 1 hour	Deloitte Anjin LLC	4	Progress of the year-end audit for 2023 and requirements for communication with governing bodies in the Auditing Standards Guide
Apr. 29, 2024 / 1 hour	Samil PwC	4	Explanation on the financial statements for Q1 2024
May 14, 2024 / 3 hours	Ernst & Young Global Limited, Finance Department, HR Department	4	Key findings from the 2024 internal accounting management system assessment, LG Chem's management status for preventing financial misconduct Overview of the executive officer evaluation and compensation system
Jul. 22, 2024 / 1 hour	Samil PwC, Integrity-Based Management	4	Explanation on the semi-annual financial statements of 2024 Report on the management diagnosis for the first half of 2024
Oct. 28, 2024 / 1 hour	Samil PwC	4	Explanation on the financial statements for Q3 2024
Feb. 3, 2025 / 1 hour	Samil PwC, Integrity-Based Management	4	Progress of the year-end audit for 2024 and requirements for communication with governing bodies in the Auditing Standards Guide, Report on the management diagnosis for the last half of 2024
Apr. 28, 2025 / 1 hour	Samil PwC	4	Explanation on the financial statements for Q1 2025
May 13, 2025 / 3 hours	KPMG Samjong Accounting Corp., Samil PwC, Corporate Planning	4	Key considerations for the internal accounting management system, Consolidated closing & audit procedures / Key findings and implications from supervisory cases Changes in LG Chem's business environment and key strategic initiatives

(3) Does the company provide external expert advisory support to the Audit Committee? If so, describe the details of that support.

External advisory support is provided Y(O)

The Audit Committee was supported by external experts in assessing the operation of the internal accounting management system.

Pursuant to Article 19-2 of the Audit Committee Regulations, if an external auditor notifies the Audit Committee of a violation of the company's accounting standards, the committee can appoint external auditors to investigate the issue at the company's expense. It receives reports on the investigation results and requests the CEO to take corrective actions. Moreover, the Audit Committee has the right to request relevant employees and external auditors to attend its meetings and make statements or provide necessary information. The committee can also seek experts' advice at the company's expense according to Article 13 of the Audit Committee Regulations, if deemed necessary to fulfill its duties.

(4) Does the company have regulations on the investigation of fraudulent acts of management, and provide necessary information, expenses, etc. to the internal auditing bodies?

Regulations on an investigation procedure has been established ☒ Y ☐ O

Explained by item (3) above.

(5) Does the company have procedures for the internal auditing bodies to access information relating to matters that could significantly impact corporate management?

Procedures for the internal auditing bodies to access information are in place ☒ Y ☐ O

Article 3 of the Audit Committee Regulations stipulates that the Audit Committee can request directors, at any time, if deemed necessary to carry out its duties, to provide a report about the company's business operations, or can investigate the status of the company's businesses or assets.

C. Describe the organization that supports the internal auditing bodies, including the following:

(1) Has the company installed an organization that supports the internal auditing bodies?

A supporting organization is in place ☒ Y ☐ O

As of Jan. 1, 2019, to support the Audit Committee in fulfilling its roles and responsibilities under relevant statutes and regulations, such as evaluating the operation of the internal accounting management system and the status of internal controls, the company established the Jeong-Do ("right path") Management Part and Accounting Audit Part (two members in total). To further enhance the authority and independence of the Audit Committee, the company reorganized this team into the Audit Support Team (consisting of three members, including a team leader) on June 1, 2021.

Department (Team)	Members	Position	Major tasks
Audit Support Team	3 members	1 team leader, 2 team members	1. Support the assessment of the internal accounting management policy operational status 2. Support the assessment of the internal supervisory monitoring system operational status 3. Support the audit report preparation 4. Support the selection and evaluation of auditors 5. Support for the auditor's review of the independence of non-audit service contracts 6. Arrangement of agendas proposed to the Audit Committee, preparation of minutes, follow-up management of submitted agendas, etc. 7. Support for tasks, such as training the Audit Committee 8. Other tasks assigned by the Committee

(2) Does the company ensure the independence of the organization supporting the internal auditing bodies?

The independence of the supporting organization is secured ☒ Y ☐ O

The Audit Support Team, which supports internal audit bodies, consists of three members, including a team leader. The Audit Support Team's responsibilities are limited to supporting financial and operational audits, as stipulated by the Audit Committee's regulations. Upon completion of their tasks, they report their findings directly to the Audit Committee.

The authority to appoint and evaluate the head of the Audit Support Team is bound to the Audit Committee.

The Audit Support Team regularly appoints external experts to evaluate the operation of the internal accounting management system. These selected external experts report their evaluation results directly to the Audit Committee.

D. Describe whether the remuneration of Audit Committee members and auditors is commensurate with their statutory responsibilities and is at a level that supports the faithful performance of their duties, including the following:

(1) Does the company have an independent remuneration policy for Audit Committee members and auditors?

An independent remuneration policy is in place ☒ N ☐ Y

The company's Audit Committee consists entirely of outside directors, and we pay the same amount of compensation to outside directors. Therefore, there is no difference in compensation between outside directors who are Audit Committee members and who are not. As a way of securing independence in fulfilling roles and responsibilities as Audit Committee members and ensuring their faithful performance of duties, we created a supporting organization and institutional mechanisms, rather than differentiating compensation levels, allowing the committee members to perform their duties professionally in ways that fit their roles and responsibilities.

(2) Suggest the remuneration ratio between outside directors who are Audit Committee members or the auditor and those who are not.

Remuneration ratio 0

The company appoints all outside directors as Audit Committee members; therefore, this item does not apply.

E. Based on the above, describe any shortcomings in securing the independence and expertise of the internal auditing bodies. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

As described above, the company ensures the independence and expertise of its Audit Committee.

(2) Future plans and additional explanations

We will make improvements if deficiencies are found in this regard.

(3) (If an audit committee has not been installed) Describe the reason(s) for not installing it. Does the company have plans to establish one in the future? If so, describe the details.

The company has an Audit Committee.

■ [409200] (Sub-principle 9-2) - Internal auditing bodies, such as the audit committee, auditors etc., shall diligently perform audit-related duties, including convening regular meetings, and transparently disclose their activities.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

The company's Audit Committee faithfully fulfills its audit tasks through measures

A. Describe the activities of the internal auditing bodies, including the regular meetings held by the bodies, etc., including the following:

(1) Describe the details of regular activities (meetings) of the internal auditing bodies held between the start of the period subject to disclosure to the report submission date, including its audit activities, procedures for appointing external auditors, and evaluation of the operation of the internal accounting control system.

Regular meetings were convened Y(O)

[Internal audit body's audit activities]

The Audit Committee held a total of five committee meetings in 2024, and three meetings in 2025 up until the day of this reporting. The committee has handled a total of 31 agenda items (10 approved, 21 reported) between 2024 and 2025.

Hwa-sun Cho, another member, (appointed as Chairperson of the Audit Committee as of the report submission date) supervises and advises the company from an objective and independent standpoint based on her knowledge of science and technology policy and future governance research, as well as her experience as a non-executive director at the Korea Institute of Industrial Technology and the Korea District Heating Corp.

Member Hyun-joo Lee offers a variety of insights not only into the technical aspects, but also into the company management and Audit Committee's operation on the basis of her extensive knowledge and experience in the petrochemical process and industry. Lee audits the company's work in an impartial manner.

One of the audit members Kyung-hoon Chun has made diverse contributions to the audit committee operation as an attorney at law who served at a law firm for 10 years and currently holds a position as a professor at the Seoul National University School of Law. As a legal expert, he has reviewed the company's primary internal regulations, including the Board Regulations and the Audit Committee Regulations, for completeness; presented opinions on measures to improve the regulations; and expressed his legal views on extraordinary incidents.

Outside director Young-han Lee built his career working as a licensed tax accountant at an accounting firm and as a member of the national tax deliberation committee in the Jungbu Regional Tax Office, a member of the board of supervisors at the Financial Services Commission, and a member of the KOSDAQ market committee at the Korea Exchange. Currently serving as a professor of taxation and accounting and the dean of the Graduate School of Science in Taxation of University of Seoul, he is an accounting, taxation, and finance expert who faithfully fulfills his roles by supervising, advising, and containing matters of principal business management.

More details of the internal audit bodies' audit activities are provided in the following tables below, under [Audit Committee meetings and attendance details and rates].

[Process of external auditor appointment]

As per the provisions of Article 10 (Appointment of Auditors) of the Act on External Audit of Stock Companies amended in November 2018, the company established internal regulations for the Audit Committee and held through face-to-face conferences to appoint external auditors.

[Assessment of the internal accounting management policy operational status]

Based on the consolidated and separate operational status reports on the internal accounting management policy the company's CEO and the internal accounting manager submitted to the Audit Committee, the committee assessed the effectiveness of the design and operation of the company's internal accounting management system in terms of its roles in preventing and identifying errors or fraudulent acts that may distort financial statements, so as to ensure the preparation and disclosure of reliable financial statements. The Audit Committee concluded that, as of Dec. 31, 2024, the company's internal accounting management policy is operating effectively, from the perspective of materiality, judging from the "conceptual framework for the design and operation of internal accounting management policy."

You can find more details about the evaluation reports and resolutions regarding the consolidated and separate internal accounting management policy operational status in the tables below under [Audit Committee meetings and attendance details and rates].

As provided above, the company's Audit Committee holds a committee meeting on a regular basis with the members' attendance, and conducts thorough deliberations, thereby fulfilling its obligations for accounting audits, such as supervising internal audit bodies' audit activities, appointing external auditors, and evaluating internal accounting management system, as well as business audits by supervising internal audits and risk and internal controls.

(2) Does the company have internal regulations regarding the creation and preservation of audit meeting minutes and audit records, and procedures for reporting to the AGM? If so, describe them with the details.

The regulations are in place ☒ Y ☐ N

The Audit Committee Regulations are in place as an institutional basis for the Audit Committee to discuss matters concerning the company's business and audit whenever necessary. Pursuant to Article 14 of the Regulations, the company not only prepares, preserves, and manages meeting minutes but also has institutionalized its internal processes and procedures to report matters concerning results of assessing the operational status of the internal accounting management policy to the board prior to convening an AGM, ensuring that the matters are reported appropriately during the meeting. The company also attends the general meeting of shareholders to report accounting and business audit results.

(3) (If the Audit Committee is installed) Describe the details of the Audit Committee meetings convened between the start of the period subject to disclosure to the report submission date and the attendance of individual directors to those meetings.

Audit Committee Audit Activities & Meeting Details (Period: Jan. 1, 2024 ~ May 31, 2025)

[2024]

Session	Date convened	Present	Quota	Agenda		Approval
				Category	Description	
1st	1/31/2024	4	4	Items to report	Progress report on the external auditor's review	Reported
					Report on the management diagnosis for the second half of 2023	Reported
					Approval of the financial statement for the 23rd fiscal year	Reported
					Approval of the 23rd business report	Reported
					Report on the operational status of the internal accounting management policy in 2023	Reported
				Items to be approved	Approval of the amendments to the internal accounting management regulations (draft)	Approved
2nd	2/23/2024	3	4	Items to report	Progress report on the external auditor's year-end audit for 2023	Reported
				Items to be approved	Approval of the assessment report on the internal accounting management policy operational status (draft)	Approved
					Approval of the Audit Committee's review opinions on the internal supervisory monitoring system (draft)	Approved
					Approval of the auditor's report on the 23rd financial statements and business report (draft)	Approved
3rd	4/29/2024	4	4	Items to be approved	Final approval of the approval of the Audit Committee Chairperson (draft)	Approved
				Items to report	Progress report on the external auditor's review	Reported
					Report on the financial statement for Q1 2024 (draft)	Reported
4th	7/22/2024	4	4	Items to report	Progress report on the external auditor's review	Reported
					Report on the semi-annual financial statement for 2024 (draft)	Reported
					Report on the management diagnosis for the first half of 2024	Reported
5th	10/28/2024	4	4	Items to report	Progress report on the external auditor's review	Reported
					Report on the financial statement for Q3 2024 (draft)	Reported
				Items to be approved	Consent to the evaluation of the head of the Audit Committee supporting department	Approved

[2025]

Session	Date convened	Present	Quota	Agenda		Approval
				Category	Description	
1st	2/3/2025	4	4	Items to report	Progress report on the external auditor's review	Reported
					Report on the management diagnosis for the second half of 2024	Reported
					Approval of the financial statement for the 24th fiscal year	Reported
					Approval of the 24th business report	Reported
					Report on the operational status of the internal accounting management policy in 2024	Reported

2nd	2/17/2025	4	4	Items to report	Progress report on the external auditor's year-end audit for 2024	Reported
				Items to be approved	Approval of the assessment report on the internal accounting management policy operational status (draft)	Approved
					Approval of the Audit Committee's review opinions on the internal supervisory monitoring system (draft)	Approved
					Approval of the auditor's report on the 24 th financial statements and business report (draft)	Approved
3rd	4/28/2025	4	4	Items to be approved	Appointment of the Audit Committee Chairperson (draft)	Approved
				Items to report	Progress report on the external auditor's review	Reported
					Report on the financial statement for Q1 2025 (draft)	Reported

Attendance of individual audit committee members (Period: Jan. 1, 2024 ~ May 31, 2025)

[2024]

Category	Session / Date	1st / Jan. 3 1, 2024	2nd / Feb. 2 3, 2024	3rd / Apr. 2 9, 2024	4th / Jul. 2 2, 2024	5th / Oct. 2 8, 2024
Outside director	Mun-su Kim	Present	Absent	-	-	-
	Hwa-sun Cho	Present	Present	Present	Present	Present
	Hyun-joo Lee	Present	Present	Present	Present	Present
	Kyung-hoon Chun	Present	Present	Present	Present	Present
	Young-han Lee	Present	Present	Present	Present	Present

[2025]

Category	Session / Date	1st / Feb. 3 2025	2nd / Feb. 1 7, 2025	3rd / Apr. 2 8, 2025
Outside director	Hwa-sun Cho	Present	Present	Present
	Hyun-joo Lee	Present	Present	Present
	Kyung-hoon Chun	Present	Present	Present
	Young-han Lee	Present	Present	Present

Table 9-2-1: Attendance Rate of Individual Directors to Audit Committee Meetings for the Last Three Years

	Type	Attendance Rate (%)			
		3-year Average	Last 3 Years		
			Current Year	Previous Year	Year Before Last
Hwa-sun Cho	사외이사(Independent)	100	100	100	100
Hyun-joo Lee	사외이사(Independent)	100	100	100	100
Kyung-hoon Chun	사외이사(Independent)	100	100	100	
Young-han Lee	사외이사(Independent)	100	100		
Mun-su Kim	사외이사(Independent)	93	50	100	100
Young-ho Ahn	사외이사(Independent)	100			100
Dong-min Jung	사외이사(Independent)	100			100

B. Based on the above, describe any shortcomings in the internal auditing bodies' performance of their duties related to audit. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

As provided above, the company's Audit Committee holds a committee meeting on a regular basis, and conducts thorough deliberations, there by fulfilling its obligations for accounting audits by supervising financial reports, internal accounting management system, and external auditors as well as business audits by supervising internal audits, and risk and internal controls.

(2) Future plans and additional explanations

We will make improvements if deficiencies are found in this regard.

[410000] (Core Principle 10) In order to make certain that the shareholders and other users have confidence in the corporate financial information, an external auditor must perform his/her auditing tasks fairly and independently from the corporation audited, including its management and controlling shareholders.

■ **[410100] (Sub-principle 10-1) - Internal auditing bodies shall establish and operate a policy to ensure the independence and expertise of the external auditor during the appointment process.**

Briefly describe the company's compliance with the above sub-principle (40 words or less).

The company's internal audit body develops policies when appointing an external auditor.

A. Describe the company's policy on the appointment and operation of the external auditor, including the following:

(1) Does the company have any policies to ensure the independence and expertise of the external auditor? And, is there any situations that might compromise the external auditor's independence?

The policies are in place ☒ Y(O)

There were situations that might compromise the auditor's independence ☐ N(X)

Based on the example document on the outside director nomination standards published by the Korea Listed Companies Association, the Audit Committee enacted committee bylaws on auditor selection criteria and procedures to ensure that an external auditor equipped with independence and expertise is selected, in consideration of the capabilities of external auditors, the capabilities of their audit teams, the appropriateness of audit execution procedures, and audit service fees.

To manage the independence of external auditors, the non-audit services that may be conducted for the company and its subsidiaries by the external auditor and its affiliates are limited to those that have been determined to be consistent with the management of the independence of the external auditor based on applicable statutes, such as the restrictions on tasks pursuant to the Certified Public Accountant Act, and the International Ethical Standards Board for Accountants (IESBA Code), and have received the prior consent or consultation of the Audit Committee. The Audit Committee looks comprehensively into compliance of such tasks with Article 21 (Restrictions on Functions) of the Certified Public Accountant Act, Article 14 (Restrictions on Functions) of the Enforcement Decree of the same Act, and the IESBA Code and potential damage to independence as well as the need for a contract and the appropriateness of the contract amount.

(2) Has the company been convening meetings regarding the appointment of the external auditor? If so, describe and the discussion points from each meeting.

In November 2023, the Financial Supervisory Service designated Samil PwC as the company's external auditor through a notice according to the periodical designation system for external auditors; therefore, the company concluded an external audit contract with Samil PwC, its designated auditor, for three consecutive fiscal years starting in 2023.

(3) Does the company conduct an evaluation after the completion of the external audit to confirm whether the external auditor faithfully executed the audit plan? If so, describe the details.

The external auditor discussed its audit schedules and requested data and documents with the company ahead of time to ensure that the audit process would go appropriately, thereby fulfilling the duties faithfully according to the agreed-upon plan. There was no request for unnecessary information in the course of the audit, and the company's external audit director showed active participation to make sure that the audit process would go smoothly. When the external auditor submits an audit report, we check if all the items agreed to in writing (including audit service fee, duration, and resources required for the audit) have been complied with.

(4) If the company receives consulting or non-audit services from the external auditor and its affiliated companies, describe the reason(s) for selecting the service provider and details of the paid cost.

The external auditors obtain prior collective approval from the Audit Committee for non-audit services involving tasks such as issuing financial statement confirmations and providing tax advice, typically performed exclusively by external auditors. They report quarterly progress to the Audit Committee on annual repeated and standardized tasks, with clear low-risk to independence tasks. For other non-audit services, specific approvals are obtained from the Audit Committee for each engagement before contracting.

For more details, please refer to "V. Accounting auditor's comment on the audit, etc.," of the business report disclosed to DART, which provides an in-depth description.

[Non-audit service contract status based on 2024 business report]

Session	Service name	Service compensation	Reason for selection
		(Unit: KRW million)	
1	2023 tax adjustments	35	Reviewed corporate tax compliance and received advisory support for tax filing to minimize tax risk
2	Support for ESG Scope 3 disclosure	25	Established a management system to comply with domestic and international mandatory ESG disclosure requirements
3	Digital CRM enhancement for customer experience	1,190	Improved related features in the digital CRM system to respond to changes in customer-facing processes following the implementation of a localized strategy in the petrochemicals division
4	B-ISP advancement and spin-off contract	138	Upgraded IT/DX operational strategy to enhance company-wide operational efficiency, reflecting the rapidly changing global petrochemical market and the company's strategic direction
5	System catalog development	427	Developed a comprehensive overview and solution for assessing and controlling the appropriateness of operations and maintenance costs for over 600 internal systems, and to prevent redundant investments
6	Tax audit support	450	Provided support for tax audits related to prior fiscal years to ensure smooth communication with tax authorities and to minimize tax risk
7	Standardization of equipment material master data	264	Developed a solution to improve the accuracy of equipment material master data, enhance the efficiency of the material management process, and reduce associated costs
8	Smart work consulting	265	Assessed the appropriateness of system utilization levels and costs related to the smart work system, and identified optimal solutions across relevant tasks and systems

B. Based on the above, describe any shortcomings in the policies to secure the independence and expertise of the external auditor. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

As described above, the company implements policies to ensure the independence and expertise of external auditors upon their appointment.

(2) Future plans and additional explanations

We will make improvements if deficiencies are found in this regard.

■ [410200] (Sub-principle 10-2) - Internal auditing bodies shall communicate regularly with the external auditor at all stages of the audit, including reporting the audit results.

Briefly describe the company's compliance with the above sub-principle (40 words or less).

Internal audit bodies of the company communicate periodically with their external auditors

A. Describe the communication conducted between the internal auditing bodies and the external auditor, in the following:

(1) Do the internal auditing bodies and the external auditor hold a meeting without management in attendance at least once a quarter to have a discussion on key audit-related matters?

Implemented ☒ Y ☐ N

The Audit Committee receives direct reports from external auditors and engages in discussions outside the presence of management during each semiannual meeting concerning external audit matters.

Table 10-2-1: Details of Communication with External Auditor

	Date	Quarter	Content
1st Audit Committee in 2024	2024-01-31	4분기(4Q)	Annual audit results, etc.
2nd Audit Committee in 2024	2024-04-29	1분기(1Q)	Quarterly review progress and annual audit plan
3rd Audit Committee in 2024	2024-07-22	2분기(2Q)	Half-year review progress and critical audit matters
4th Audit Committee in 2024	2024-10-28	3분기(3Q)	Half-year review progress, etc.
1st Audit Committee in 2025	2025-02-03	4분기(4Q)	Annual audit results, etc.

	Date	Quarter	Content
2nd Audit Committee in 2025	2025-04-28	1분기(1Q)	Annual audit plan, quarterly review progress, etc.

(2) Describe the main agendas discussed with the external auditors and procedures to reflect them in their internal audit duties, and the details.

The Audit Committee communicates with the external auditor at least once every quarter or half-year to discuss key accounting policies, annual audit plans, critical audit matters, and the results of audits and reviews of the financial statements and the internal accounting control system. The outcomes of these communications are shared with relevant departments and reflected in internal audit activities. Key discussion topics with the external auditor are summarized as follows.

Session	Date convened	Description
1st / 2024	1/31/2024	Year-end audit progress report
2nd / 2024	2/23/2024	Year-end audit progress report
3rd / 2024	4/29/2024	2024 external audit plan Q1 financial statement review update
4th / 2024	7/22/2024	Interim review progress report Year-end key audit plan report Recent regulatory developments
5th / 2024	10/28/2024	Q3 review and key annual audit items
1st / 2025	2/3/2025	Overview of 2024 external audit Year-end audit progress report
2nd / 2025	2/17/2025	2024 external audit status report Follow-up report after the 1st Audit Committee meeting
3rd / 2025	4/28/2025	2025 external audit plan

(3) Describe the process where the external auditor notifies the internal auditing bodies of any material findings discovered during the audit. What's the role and responsibilities of the internal auditing bodies in this regard?

The task procedure that must be fulfilled upon fraudulent acts, etc., is stipulated in the internal regulations of the Audit Committee.

If notified of violations of the company's accounting standards, which were found by the external auditor in the course of an audit, the Audit Committee should appoint external experts to investigate the facts of violation at the company's expense and, depending on the results, should demand the CEO to take corrective actions. Results of the investigation and corrective actions should be submitted immediately to the Securities and Futures Commission as well as the external auditor. The Audit Committee should also notify the external auditor of fraudulent acts committed by a director while fulfilling his or her duties, or any material facts that violate relevant laws or the Articles of Incorporation..

(4) When did the company provide its financial statements to the external auditor?

Financial statements were provided at least six weeks prior to the AGM Y(O)

Consolidated financial statements were provided at least four weeks prior to the AGM Y(O)

The times of providing the financial statements to the external auditor are as follows.

Table 10-2-2: Financial Statements Provided to the External Auditor

	Date of AGM	Date of the provision of financial statements	Date of the provision of consolidated financial statements	Recipient
23rd AGM	2024-03-25	2024-01-12	2024-01-19	Deloitte Anjin LLC
24th AGM	2025-03-24	2025-01-13	2025-01-20	Samil PwC

B. Based on the above, describe any shortcomings in the communication between the internal auditing bodies and the external auditors. Explain the reason(s) for the shortcomings and future plans.

(1) Shortcomings and the reason(s)

As described above, the company's internal audit bodies communicate regularly with the external auditor.

(2) Future plans and additional explanations

We will make improvements if deficiencies are found in this regard.

[500000] 5. Additional Items

A. Describe the company's Corporate Value-up Plan, including the following:

(1) Has the company disclosed its Corporate Value-up Plan between the start of the period subject to disclosure to the report submission date?

Voluntary disclosed ☒ Y ☐ O

We disclosed our corporate value enhancement plan on November 22, 2024.

The key details of the disclosure are as follows.

1. Company Overview

2. Current Status Assessment

3. Goal Setting

☐ Revenue

- Target revenue of KRW 50 trillion by 2030 (excluding LG Energy Solution)
- Increase the proportion of the three major new growth businesses to 50% by 2030

☐ ROE

- Achieve an operating margin of over 10% from 2028 (excluding LG Energy Solution)

☐ Mid- to Long-Term Shareholder Returns

- Consider raising the dividend payout ratio to 30% when both positive cash flow and ROE of 10% or higher are achieved

4. Planning

☐ Sustainability Business Centered on Eco-Friendly Materials

- Fostering the sustainability business while advancing a low-carbon business strategy.
- Shifting the business structure to focus on high-value products.
- Breaking through stagnant profitability by diversifying into new regions.

☐ World's Largest Comprehensive Battery Materials Company

- Securing leadership in high-capacity and cost-innovation technologies.
- Meeting major customer needs by expanding global capacity.
- Enhancing metal competitiveness and ensuring cost competitiveness.

☐ Global Innovator in New Drug Development

- Securing a global business foundation and strengthening the new drug pipeline.
- Reinforcing market-leading status alongside efficient operation of the R&D portfolio.

5. Communication Plan

For more details, please refer to our "Corporate Value Enhancement Plan (Voluntary Disclosure)" disclosed on November 22, 2024.

(2) Describe the disclosure status of the company's Corporate Value-up Plans submitted during the past three years. Has the Board been involved in the process of establishing and disclosing those plans?

Prior to disclosing the Corporate Value Enhancement Plan on November 22, 2024, the company obtained approval from the Board of Directors on November 21, 2024.

Table 11-1: Disclosure Status of Corporate Value-up Plans and Board's Involvement

	Date of disclosure	Involvement of the Board	Date of relevant board meetings	Key discussion points
Corporate Value Enhancement Plan	2024-11-22	O	2024-11-21	<ul style="list-style-type: none">- Report on the background of the Corporate Value Enhancement Program and disclosure trends of peer companies- Detailed presentation on the key contents of the company's Corporate Value Enhancement Plan disclosure- Following Q&A and discussion on the criteria for selecting disclosure items and the shareholder return policy, the Plan was approved unanimously by all directors present.

(3) Has the company communicated with shareholders and market participants utilizing its Corporate Value-up Plans between the start of the period subject to disclosure to the report submission date? If so, describe the details.

Communications have taken place ☒ Y ☐ O

The company disclosed its Corporate Value Enhancement Plan on November 22, 2024, and has since actively communicated its contents and progress during investor events, including NDRs and conferences.

Despite not generating distributable profits in 2024 under the company's previously announced three-year (FY2023-2025) dividend policy, the company took into account investor feedback regarding shareholder return policy and resolved to pay a dividend of KRW 1,000 per common share (KRW 1,050 per preferred share) as part of efforts to enhance corporate value.

Details of communication efforts regarding the Corporate Value Enhancement Plan from the beginning of the disclosure period to the present are provided below.

Table 11-2: Status of the Communication Done Based on Corporate Value-up Plans

	Date of communication	Communication counterparts	Communication channel	Involvement of executives	Key communication points
2024 ? 1st	2024-12-05	Foreign institutional investors	Conference	X	- Explanation of the Corporate Value Enhancement Plan - Q&A regarding set goals and implementation strategies - Communication on shareholder return policies
2024 ? 2nd	2024-12-09	Foreign institutional investors	NDR, Conference	X	- Explanation of the Corporate Value Enhancement Plan - Q&A regarding set goals and implementation strategies - Communication on shareholder return policies
2025 ? 1st	2025-02-05	Korean institutional investors	NDR	O	- Explanation of the Corporate Value Enhancement Plan - Q&A regarding set goals and implementation strategies - Communication on shareholder return policies
2025 ? 2nd	2025-02-17	Foreign institutional investors	Conference	O	- Explanation of the Corporate Value Enhancement Plan - Q&A regarding set goals and implementation strategies
2025 ? 3rd	2025-05-08	Korean institutional investors	NDR	O	- Explanation of the Corporate Value Enhancement Plan - Q&A on progress toward mid- to long-term goals
2025 ? 4th	2025-05-14	Foreign institutional investors	NDR	O	- Explanation of the Corporate Value Enhancement Plan - Q&A on progress toward mid- to long-term goals
2025 ? 5th	2025-05-15	Foreign institutional investors	Conference	X	- Explanation of the Corporate Value Enhancement Plan - Q&A on progress toward mid- to long-term goals
2025 ? 6th	2025-05-19	Foreign institutional investors	Conference	X	- Explanation of the Corporate Value Enhancement Plan - Q&A on progress toward mid- to long-term goals
2025 ? 7th	2025-05-26	Foreign institutional investors	NDR	O	- Explanation of the Corporate Value Enhancement Plan - Q&A on progress toward mid- to long-term goals

B. Describe any important governance policies that the company has established, excluding the Core (Sub-) Principles mentioned above.

The company makes every effort to fulfill its corporate social responsibilities by responding actively to the demands of internal and external stakeholders, which include shareholders, customers, and the community. To this end, we publish a Sustainability Report every year, which covers such topics as corporate governance, corporate ethics, and safety and environment. The reports for each year are available on our website.

☐ LG Chem's Sustainability Reports: <https://www.lgchem.com/sustainability/sustainability-reports>

Moreover, we share our business philosophies of "creating value for customers" and "respecting human dignity" in accordance with the LG Code of Ethics and promotes self-regulated management based on autonomy and responsibility according to the spirit of its Management Charter. We also aim to maintain our status as a world-class company by adhering to the free market system that pursues free and fair competition, as well as by seeking growth for all stakeholders based on mutual trust and cooperation. The LG Code of Ethics in particular stipulates our responsibilities toward the country and society-at-large. As such, we seek to protect shareholders' interests and contribute to the nation's prosperity and the growth of society by advancing into a more robust company through reasonable business development and expansion.

☐ LG Code of Ethics: <https://www.lgchem.com/company/company-information/lgway/degreemanagement>

Note, that the company has not been subjected to official restrictions or been involved in a lawsuit concerning corporate governance for the past three years.

C. Attach the most recent version of the company's articles of incorporation. Additionally, if there are any explicit policies that can be disclosed to support the answers provided in this report, include them as well.

Regulations related to our latest Articles of Incorporation and report have been attached as follows.

Appendix 1. Articles of Incorporation

Appendix 2. Board Regulations

Appendix 3. Outside Director Nomination Committee Regulations

Appendix 4. Audit Committee Regulations

Appendix 5. Management Committee Regulations

Appendix 6. ESG Committee Regulations

Appendix 7. Internal Transaction Committee Regulations

Appendix 8. LG Code of Ethics

Appendix 9. Corporate Value Enhancement Plan