

Creating New technology with Sustainability

2025-2026 LG CNS Sustainability Report



ABOUT THIS REPORT

Report Overview

LG CNS publishes an annual sustainability report as a way of communicating with stakeholders. This report is our tenth sustainability report. We conducted a double materiality assessment that considers both financial and environmental · social impacts.

Based on the assessment, our sustainability activities are divided into environmental, social, and governance categories, and the report discloses key policies, goals, and performance in each category. The 2025-2026 Sustainability Report introduces the sustainable solutions of LG CNS.

Reporting Standards

This report follows GRI Standards 2021, an international sustainability report guideline, and applies the key criteria of SASB, TCFD and ISSB. Financial performance is reported in accordance with Korean International Financial Reporting Standards (K-IFRS).

Reporting Scope

The scope of this report includes all domestic business sites operated by LG CNS, while some of the information on social performance (human rights management, human capital management, employee status, etc.) includes details of our subsidiaries and overseas business sites.

Reporting Period

This report includes ESG activities and performance for the fiscal year of January 1, 2025 to December 31, 2025. Some qualitative data include information through the first half of 2026.

Report Verification

This report has been assured by an independent third-party organization (BSI) to ensure reliability.

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Cover Story



The core value of LG CNS is "Connection". Through technology, we connect people with people, people with technology, and people with everyday experience, to create a better society.

CONTENTS

OVERVIEW	ESG FACT BOOK			APPENDIX
05 Message from the CEO	Environmental	Social	Governance	95 Environmental Performance
06 Company Overview	28 Environmental Management	40 Human Capital Management	78 Corporate Governance	98 Social Performance
08 Vision and Strategy	31 Climate Change	48 Human Rights Management	81 Risk and Crisis Management	103 Governance Performance
10 Business Overview	38 Resource Circulation	56 Information Security and Personal Data Protection	86 Compliance	105 Economic Performance
11 Technological Innovation		63 Safety and Health	89 Jeong-Do Management	106 GRI Standards Index
16 Sustainable Solution		68 Social Contribution	91 Stakeholder Communication	108 SASB Index
20 Sustainable Management Strategy and Performance		71 Supply Chain Management		109 ISSB Index
22 Double Materiality Assessment		74 Quality Management		111 TCFD Index
				112 UN SDGs
				113 GHG Emissions Verification Statement
				114 Third-Party Assurance Statement

Interactive PDF

This report is an interactive PDF with the function linked to related pages.

Overview

05	Message from the CEO
06	Company Overview
08	Vision and Strategy
10	Business Overview
11	Technological Innovation
16	Sustainable Solution
20	Sustainable Management Strategy and Performance
22	Double Materiality Assessment

Message from the CEO



Dear Stakeholders,

We are in a period of significant transformation, driven by rapid advancements in artificial intelligence (AI) that are reshaping the way we live and work and redefining the industrial landscape. As the pace of change accelerates, enterprises are required to have not only the agility to adopt new technologies, but also a clear vision of the future value they will create by using these technologies.

In the midst of these changes, LG CNS has been fulfilling its role as an AX (AI Transformation) Company, leading business innovation for our clients through AI. We are solving complex challenges in industrial settings, refining corporate decision-making through agentic AI, and transforming the ways we work so that our employees can focus on higher-value work.

As a result of these efforts, LG CNS achieved record-breaking performance for a sixth consecutive year in 2025, further solidifying our position as a leading AX service provider in Korea. Drawing on our extensive experience with AI transformations in diverse industries, the perception that "AX = LG CNS" is gradually taking hold in the market. All of these achievements can be attributed to the trust and cooperation of our clients, partners, shareholders, and employees.

LG CNS is promoting ESG-based sustainable management to ensure that technological innovation creates positive value for the environment and society. As data center energy demand increases in line with advancements in AI technology, LG CNS is continuously strengthening eco-friendly data center operations and energy efficiency. In recognition of these efforts, LG CNS was awarded the Minister of Climate, Energy, and Environment Award at the "2025 Korea Energy Awards."

Furthermore, starting in 2017, LG CNS has been contributing to the development of future AI talent by providing AI education to youth nationwide through our social contribution program, "AI Genius." With our employees serving as instructors, we have provided education to approximately 25,000 teenagers and are expanding these educational opportunities to remote, rural areas as well as individuals and communities in need of support.

We believe that competitiveness in the AI era depends not only on technological advancement but also on how we responsibly utilize that technology and grow together with society. Under our ESG vision of "Creating New Technology with Sustainability," LG CNS will realize both technological innovation and responsible management to create sustainable value.

As LG CNS moves forward to shape a sustainable future, we are sincerely grateful for your continued interest and support.

Thank you.

June 2026

President, CEO of LG CNS, **Shin-Gyoon Hyun**

Company Overview

LG CNS Overview

Since the company was founded in 1987, LG CNS has been operating overseas subsidiaries in the United States, Europe, and China. As an AX (AI Transformation) specialist, LG CNS has more than 6,800 employees with leading-edge expertise and proficiency in digital technology who are constantly leading the business innovation of our clients.

Company Name	LG CNS Co., Ltd.
Address	71, Magokjungang 8-ro (Magok-dong), Gangseo-gu, Seoul
Date Established	January 1987
CEO	Shin-Gyoon Hyun
Number of Employees	6,890 (as of December 31, 2025)
Business Fields	Cloud & AI, Smart Engineering, Digital Business Service (SI/SM)
Subsidiaries	Biztech i, Haengbokmaru, Open Source Consulting, RightBrain, Biztech On, GTinnovation

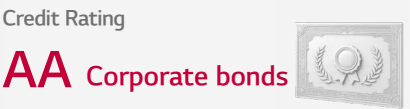
Major Awards and Achievements

- Selected as the Partner of the Year 2026 in Korea at the Google Cloud Partner Awards (2026)
- Certified by the Ministry of the Interior and Safety as an Outstanding Disaster Mitigation Company for its data center (2025)
- Received the ESG Award at the ASOCIO Awards 2025 (2025)
- Received the Minister of Science and ICT Award in the Technological Innovation category at the 2025 Korea IT Service Innovation Awards (2025)
- Received the Grand Prize in the AI Contact Center category at the 2025 Brand Customer Loyalty Awards (2025)
- Received five awards at the German iF (International Forum) Design Awards (2025)
- Selected as Korea's first SAP Asia Pacific Regional Strategic Services Partner (2025)
- Acquired AWS "Generative AI Competency" certification (2024)
- Became the first in Asia to obtain Google Cloud Generative AI Specialist certification (2024)
- Selected as Services Partner of the Year in Korea at the Google Cloud Partner Awards 2024 for a second consecutive year (2024)
- Qualified as a Microsoft MSSP (Managed Security Service Provider) partner (2023)
- Acquired Google Cloud Data Analytics Service Specialization certification (2023)
- Received 2023 Korea Digital Advertising Awards in the Ad Tech and Search Performance categories (2023)



Financial Status

(as of December 31, 2025)



Milestones

Foundation and Growth

- 1987 Founded STM with EDS (US)
- 1989 Established the industry's first technology research institute
- 1992 Completed the construction of Korea's first Information Technology Center (ITC)
- 1995 Changed company name to "LG-EDS Systems"
- 1997 Opened the integrated global network of LG (LG NET)

Leap Forward and Development

- 2002 Changed company name to "LG CNS"
- 2003 Became first in the world to acquire eSCM¹⁾ Certification
- 2007 Opened Sangam IT Center
- 2013 Opened Busan Global Data Center

Leading Digital Innovation

- 2018 Relocated LG CNS HQ (Magok LG Science Park)
- 2020 Landed Sejong Smart City Project
- 2021 Completed the cloud migration of Korean Air's IT systems
- 2024 Officially launched Indonesia joint venture "LG SinarMas"
- 2025 IPO (Initial Public Offering)

1) eSCM(e-Sourcing Capability Model) : A globally renowned outsourcing quality assessment model developed by Carnegie Mellon University

Company Overview

Global Sites

*As of December 2025

Major Domestic Sites

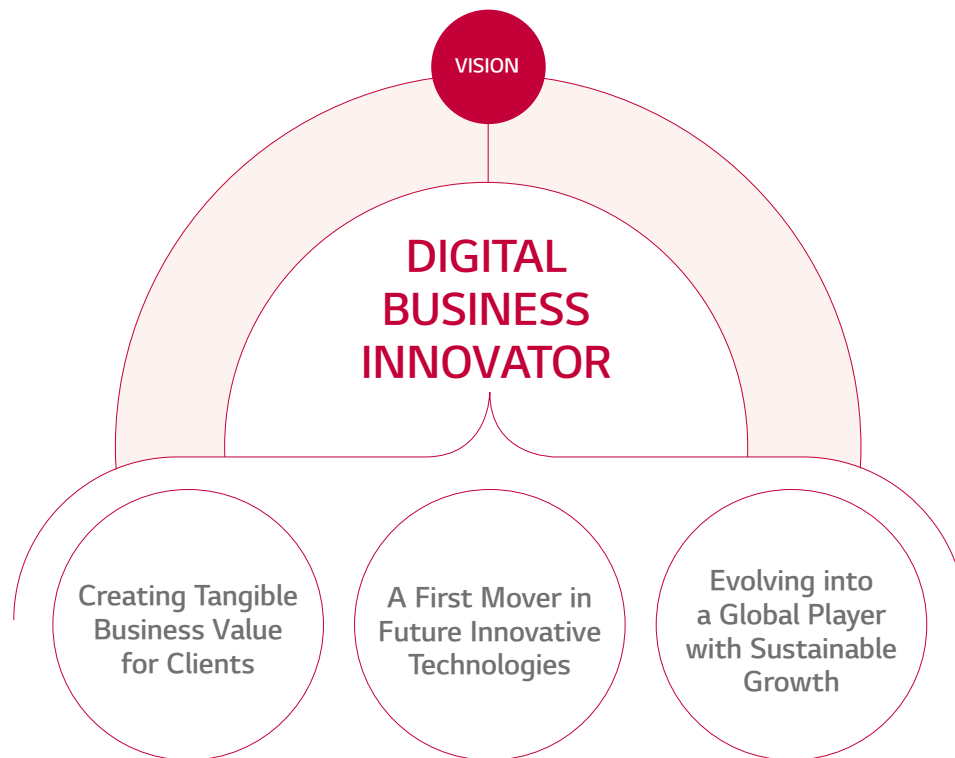
- Magok LG Science Park (HQ)
- Sangam DDMC
- Jeungmi DXP Center
- Data Center
 - Sangam IT Center
 - Gasan Center
 - Busan Global Cloud Data Center



Vision and Strategy

Vision and Management Policy

LG CNS has positioned itself as the most trusted “Digital Business Innovator” for clients. We are now taking the next step, by evolving beyond Korea’s leading DX (Digital Transformation) company to become a global AX (AI Transformation) company.



Expanding our AX Influence beyond Korea, to the Global Stage

LG CNS has formed robust partnerships with global tech leaders and is creating a wide range of innovative cases through bold initiatives and execution.

Global AX Business and Partnerships



Palantir
Strategic AX Partnership



Google Cloud
Strategic AX Partnership



AWS
Establishment of the Generative AI Launch Center



Honeywell
Agreement on Joint Development of Manufacturing AX Technology



Cohere
Agentic AI Partnership



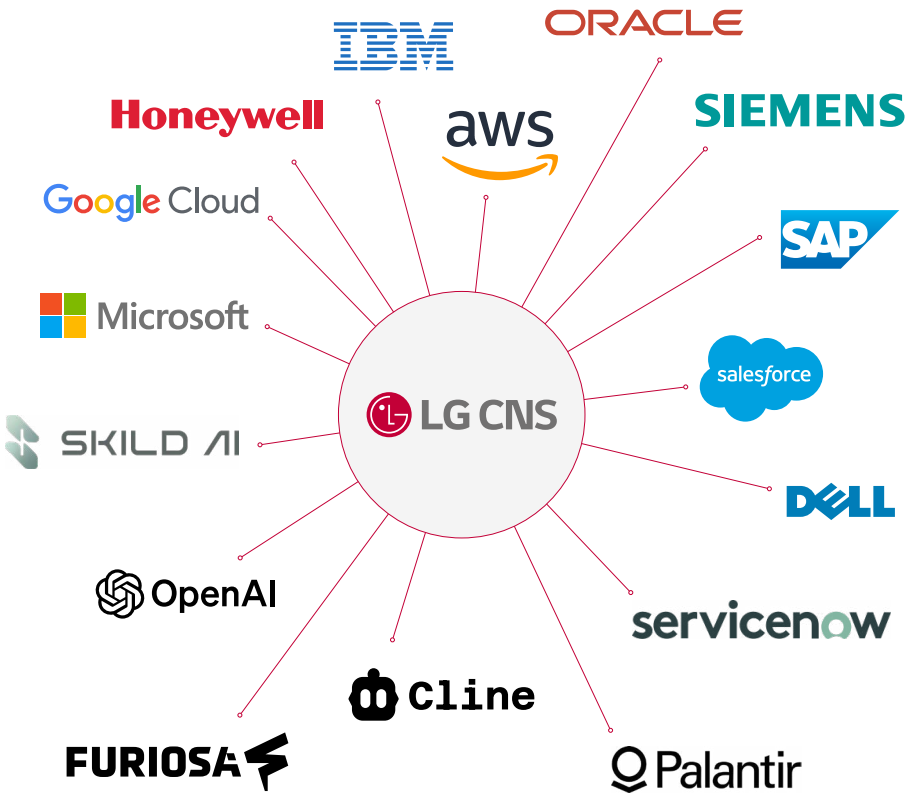
Cline
Agreement on Joint Development of Agentic AI Coding Solutions

Vision and Strategy

AX Pioneer

Before digital transformation became mainstream in the IT industry, LG CNS was the first in the industry to develop DX technologies and establish partnerships with global leaders. Beyond this, LG CNS is reshaping the paradigm of the industry with differentiated AX expertise.

Partnership



Major Partnerships

2026		Entered into a strategic partnership to target the enterprise AI platform market
		Introduced "ChatGPT Enterprise" by signing "Reseller Partner" and "Enterprise AI Service Implementation Partner" agreements
2025		Became the first and only company in Korea to join SAP's Asia-Pacific RSSP ¹⁾
		Launched the LG CNS-AWS "Generative AI Launch Center"
		Signed an MOU on AI infrastructure collaboration with Dell Technologies
2024		Became the first in Korea to acquire AWS "Generative AI Competency" certification
		Became the first in Asia to acquire Google Cloud Generative AI Specialist certification
2023		Became the first in Korea to collaborate with Microsoft on generative AI

1) RSSP : Regional Strategic Service Partner

Business Overview

LG CNS’s Core Technologies Serve as the Cornerstone of Innovation, Integrating AX, RX and DX.

At LG CNS, we accelerate our clients’ business transformation by seamlessly integrating generative AI, robotics, cloud computing, data, and security.

AX

Driving the transformation into an intelligent enterprise in which AI can autonomously make decisions and take action

RX

Expanding innovation into physical operations through robotics and automation

DX

Innovating operations and client experiences enterprise-wide through digital technology

AX

AgenticWorks, a:xink, AICC

Enterprise agentic AI platform and various AI agent services

AX Consulting

AX Discovery, AX PI Consulting

AX business innovation services across all industries and the entire business journey of our clients

RX

PhysicalWorks

A Physical AI platform that supports the entire process from robot learning data collection to operation and integrated monitoring

Financial DX

FinXper

Tailored solutions for digital finance that support the development of AI platforms and services for the financial industry

Data Center

AI Datacenter

Comprehensive lifecycle services, including customized data center consulting, design, implementation, and operations

Data

EDP (Enterprise Data Platform)

End-to-end services based on big data and analytics technologies

Security

SecuXper

IT/OT/AI security consulting, implementation, operation, monitoring, and maintenance services

Cloud

CloudXper ProOps

Services to maximize convenience and optimize costs, covering cloud audit, consulting, migration, and operations

Enterprise S/W

PerfecTwin, MOP, SINGLEX, LENA, TunA

Systems development and performance testing automation solution / Marketing optimization platform based on AI and mathematical optimization

Smart Factory

Factova

Hyper-connectivity, hyper-automation, and hyper-intelligence
Strengthening the competitiveness of value chains in manufacturing processes

Smart Logistics

Total Logistics Solution

Intelligent and optimized logistics centers
Implementing hyper-automation through logistics robots

Smart City

Cityhub

Design, development, and operation of smart cities based on an AI data hub platform, and export to overseas markets

Technological Innovation

Policy

Responsible AI Policies and Programs

As a leading Korean technology company, LG CNS aims to evolve into a global innovator that leads technological trends. LG CNS applies clear principles and takes responsibility when developing and implementing AI technology in business operations. Specifically, in utilizing AI, we ensure that the review of the final output and key decision-making are always performed by responsible personnel, to prevent any adverse effects.

Policies and Principles

Mindful of the impact of AI on society and businesses, LG CNS has established and implements policies to support AI's responsible development and use. These policies aim to ensure human-centered AI implementation and secure social trust, reflecting global standards and domestic ethical guidelines. Notably, LG CNS's policies are operated based on the following core values, in alignment with the LG AI Ethics Principles.

Humanity : AI is developed and operated with the highest priority placed on human dignity and rights. Data privacy is a top priority in the use and development of AI.

Fairness : AI is designed to minimize potential biases that may arise during its use and development, and to produce non-discriminatory results. Furthermore, manipulation, exploitation of vulnerabilities, social credit assessment, and unauthorized surveillance of biometric information are prohibited.

Safety & Reliability : Risks caused by system errors and misuse are minimized, and cybersecurity of the system is considered during the use and development of AI.

Accountability : Relevant organizations and their members take clear responsibility for the results or decisions generated through the use of AI. This also entails establishing procedures for prompt investigation and resolution in the event of errors or damages, as well as clarifying any legal liability arising from the use of AI.

Transparency : AI decision-making processes and criteria should be comprehensible and clearly explained.

The responsible AI policies described above have been reported to the ESG Committee. If a violation of these principles is identified, complaints can be filed through the LG Jeong-Do Management portal.

Initiatives for the Responsible Use of AI

To protect personal information and corporate trade secrets, LG CNS has established internal guidelines to ensure that only enterprise AI solutions with proven security and stability are used. This prevents risks such as data breaches caused by the use of unproven AI and clearly defines accountability for the results of its use.

If there is a need to use AI programs other than the existing enterprise AI solutions, a company-wide decision-making process and security review procedures are followed to determine whether to approve their use. Furthermore, LG CNS's security department engages in ongoing monitoring and inspections of internal AI usage, and immediately requests an explanation and launches an investigation when any suspicious activity is detected. Additionally, the use of personal AI for any work-related purposes is a violation of information security regulations and may result in measures in accordance with personnel regulations, such as a reduction in the security score and disciplinary action.

LG AI Ethics Principles

LG AI Ethics Principles

Going beyond technology, we strive to create a better life for all.
We observe the AI Ethics Principles to ensure a healthier and more sustainable society

Humanity		• LG AI creates value for humanity and society • LG AI does not violate human rights	LG prioritizes customers and operates under its people-oriented management principle. In every process of developing and utilizing AI, people come first. LG ensures that its AI will only be utilized to create positive value for the society and no human rights will be compromised.
Fairness		• LG AI treats all people fairly while respecting diversity • LG AI avoids unfair discrimination against individual characteristics	LG upholds Jeong-Do Management, and respects all characteristics and diversity of individuals, equal opportunities, and fair treatment. LG sets AI standards that represent fairness and strives to prevent unfair discrimination against individual characteristics such as gender, age, and disability.
Safety		• LG AI operates in a safe and sturdy manner • LG AI predicts and responds to potential risks	LG delivers excellent quality products and services to stay trustworthy. No exception to AI system, high level of safety and security measures are in place. For unexpected emergencies, LG commits to regular monitoring and management of potential risks.
Accountability		• Clear definition of role and responsibility for those involved in LG AI development and use. • Ensuring that LG AI performs as planned and designed.	LG fulfills all responsibilities to the community and customers with a sense of ownership. Throughout the entire AI development and utilization process, all involved parties will strictly abide by their respective roles and responsibilities. LG adapts verification procedures to ensure that LG AI performs as intended.
Transparency		• Open communication for customers to understand information and data processed by LG AI • Algorithm and data are managed with transparency and processed under strict rules and standards.	LG upholds Jeong-Do Management through strict work ethics and honest disclosure. Providing open communication for customers to better understand and trust AI is top priority. LG manages the AI system with transparency so that customers can trust the integrity of the algorithm and data.

Technological Innovation

Risks & Opportunities Management

Making Targeted Investments in Agentic AI and Physical AI to Seize New Growth Opportunities

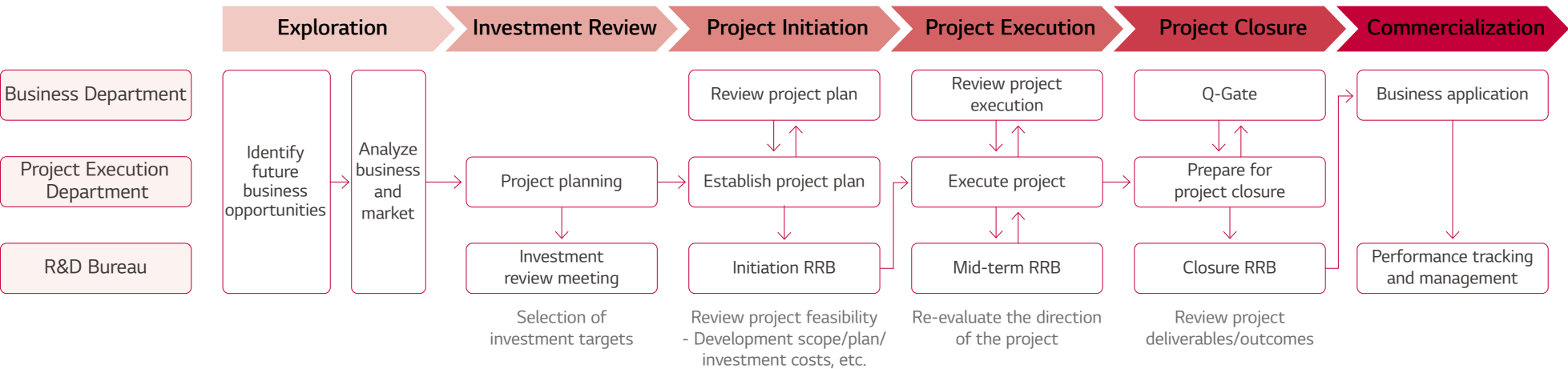
LG CNS continuously monitors and analyzes changes in the external environment to transform technological innovations into new growth opportunities. We leverage several resources to stay abreast of the latest technology trends, including our U.S. C&D Center in Silicon Valley, key reports from external research institutions and academia, and our network of global VCs and startups. Utilizing these, we identify the core technology trends in the areas of agentic AI and physical AI to secure future growth engines. Technology trends are evaluated based on their alignment with our business strategies and their contribution to realizing ESG values, and are selected as core strategic technologies at the company level. We concentrate R&D investment on these core technologies to secure technological competitiveness at an early stage, thereby identifying new business opportunities. These strategic investments and technology acquisitions in agentic AI and physical AI contribute to LG CNS's sustained revenue growth and strengthened market competitiveness.

Operating Systematic R&D Management

In addition, LG CNS operates a systematic R&D management process that enables us to proactively identify and manage risks during the technology development phase, thereby establishing a foundation for sustainable growth through technological innovation. All R&D projects are managed by the RRB (R&D Review Board) at the initiation, mid-term, and closure stages. At each stage, the RRB performs a comprehensive review of the technical objectives, the feasibility of project execution, and the potential for future business application. This process minimizes any technical and business risks that may arise during the R&D process and promotes efficient resource allocation and the generation of results.

Ensuring Reliability through Proactive Assessment and Mitigation of Potential Business Risks

Notably, LG CNS proactively manages the diverse risk factors that may occur during the implementation of developed technologies and solutions in business operations. To prevent security incidents such as personal information leaks, web vulnerabilities, and hacking, we operate a Q-Gate (Quality Gate) process prior to the completion of R&D projects to conduct preliminary checks from a security and quality perspective. By identifying potential risks and implementing corrective measures early, we facilitate stable business operations for our clients, securing their trust. These systematic verification procedures increase the success rate of technology commercialization and contribute to the creation of new business opportunities.



Technological Innovation

Strategy

Driving AX Leadership based on an Agentic AI Platform “AgenticWorks”

Based on the foundation of AX (AI Transformation) that was solidified in 2025, LG CNS aims to become a dominant leader in the agentic AI market in 2026, in which AI sets its own goals and completes tasks autonomously. Now, the success of AX depends not only on the use of generative AI, but also on the systematic management of AI Agents, which autonomously execute complex business processes.

LG CNS is ushering in the era of AI coworkers across the entire client value chain through “AgenticWorks,” our proprietary agentic AI platform. AgenticWorks offers full-stack technology capabilities that enable the platform to independently learn from a company’s internal knowledge assets, autonomously design complex decision-making paths, and deliver results.

Goals and Directions



1) Use Case : Case in which technologies, systems, and services can be applied

Technological Innovation

Activities & Achievements

Deepening Partnership with Global AI Leader Palantir

In March 2026, LG CNS entered into a strategic partnership with Palantir Technologies, a U.S.-based AI software company, and launched a full-scale initiative to provide tailored versions of Palantir's flagship platforms, Foundry and AIP (Artificial Intelligence Platform), that could meet the specific needs of Korean corporate clients. To this end, LG CNS has formed a dedicated Palantir business unit called FDE (Forward Deployed Engineering) and plans to jointly identify and execute high-value-added AX projects across various industries, including manufacturing, energy, electronics, and logistics.

Significantly, LG CNS aims to support sophisticated analysis and decision-making that reflects the relationships and context between data by leveraging Palantir's core technology, an ontology-based data modeling framework, to transform dispersed corporate data into an "AI-readable" data structure that AI can understand and utilize. Through this approach, LG CNS goes beyond simple data integration to implement a digital operating system that connects tasks, assets, and processes, thereby supporting the advancement of real-time decision-making within enterprises.

Launching Enterprise AX Business in Collaboration with OpenAI

LG CNS has signed "reseller partner" and "enterprise AI service implementation partner" agreements with OpenAI, and is expanding its ChatGPT Enterprise-based AX business for its corporate clients in Korea. Through this partnership, LG CNS is developing a system to innovate knowledge-based work and enhance productivity using Generative AI across diverse business areas within enterprises.

To this end, led by a dedicated task force (OpenAI TF), LG CNS is defining AI utilization strategies that are tailored to clients' specific business characteristics and data environments. Building on the security and scalability of ChatGPT Enterprise, LG CNS is implementing a task-oriented AI environment that integrates internal corporate data with generative AI. Starting with key industry clients in sectors such as pharmaceuticals, biotechnology, manufacturing, and energy, LG CNS is expanding its business by securing generative AI use cases across various domains, including R&D, business automation, and knowledge utilization, through contracts and projects with major clients.

Securing Technological Leadership with the Proprietary Foundation Model "K-EXAONE"

LG CNS is collaborating with LG AI Research to enhance the competitiveness of domestically developed AI and advance the AX business, leveraging the technological capabilities of our proprietary foundation model, "K-EXAONE." With EXAONE, LG CNS is supporting an agentic AI operating system that is optimized for the domestic data environment, and is providing EXAONE-based intelligent agents and on-premises/hybrid deployment capabilities within the AgenticWorks platform. In doing so, we are establishing a stable and flexible foundation for AI implementation tailored to each client's specific environment. Moreover, we have demonstrated our technical excellence as a representative national AI model by achieving the highest score in the "Proprietary AI Foundation Model Project" led by the Ministry of Science and ICT. Building on this success, we are expanding our highly reliable AX services across various industries, including the public sector.

Building Strategic Partnership with Physical AI Company Skild AI

LG CNS has entered into a strategic partnership and investment agreement with Skild AI, a U.S.-based AI robotics company, to enter the industrial AI humanoid robot market, and is working to expand our intelligent robotics business based on the Robot Foundation Model (RFM). The two companies aim to jointly develop robot solutions that can be applied in industrial settings such as manufacturing and logistics, with the goal of expanding the scope of robotics to include tasks that were previously difficult to address with conventional automation methods.

Specifically, LG CNS plans to utilize Skild AI's technology to develop a system that enables robots to autonomously learn tasks and adapt to environmental changes using image and video data from industrial sites. Through this, LG CNS plans to simultaneously enhance efficiency and safety across a range of areas, including factory operations, logistics handling, and hazardous tasks, and to expand robot-focused operational innovations for smart factories, logistics, and cities in the future.

Strengthening the RX Ecosystem Through Global Partnerships with DexMate and Config

LG CNS has made a strategic investment in DexMate, a U.S.-based humanoid robotics company, to secure competitive advantages in robot hardware that is optimized for industrial settings. Through this move, we are expanding the robot portfolio, which includes wheel-type humanoids, and are working to establish a "full-stack RX service" by integrating robot hardware, RFM, and an operating platform.

We have also expanded our global collaboration by forming a partnership with Config, an RFM company specializing in dual-arm robot control. Through this partnership, we aim to simultaneously secure RFM capabilities and hardware for robot control, thereby leading the era of the industrial application of physical AI.

Launching Full-Scale Robotics Consulting Business Through the Establishment of the RX Innovation Lab

LG CNS has expanded the RX business by establishing the "RX Innovation Lab," a dedicated organization that supports enterprises in formulating and executing robot adoption strategies. The RX Innovation Lab supports the entire robot adoption process by analyzing clients' industry-specific characteristics and work environments to identify areas for robot adoption, reviewing productivity and operational efficiency through workflow redesign and proof-of-concept (PoC) verification. Notably, LG CNS is maximizing the benefits of robotics by redesigning overall business processes rather than merely automating simple tasks.

In addition, LG CNS has conducted numerous robot PoC projects, primarily in logistics and manufacturing sites, to verify the feasibility of deploying robots in real-world industrial environments. Through these projects, we have built our expertise in operating robots for various tasks, including loading, sorting, and quality inspection, and are continuing to expand robot-driven transformation in industrial settings by incorporating DX and AX-based innovation frameworks.

Technological Innovation

R&D Activities for Technological Innovation

LG CNS pursues innovation in technologies ranging from agentic AI to next-generation infrastructure, robotics, enterprise software, blockchain, security, and industry-specific solutions, with AI transformation and robotics transformation as key strategies. Through this approach, we are aiming to proactively address the rapidly changing technological environment and diverse business needs of our clients, while creating sustainable value.

Category	Field of Research	Research Activities
AI	- Generative AI¹⁾ - Agentic AI²⁾ - Physical AI³⁾ - AI/Data platform - AI Algorithms (language, image/video, sound/vibration recognition, etc.) - AI Coding	- Acquire core technologies of generative AI (LLM, LMM⁴⁾, LAM⁵⁾, VLM⁶⁾, RAG⁷⁾, etc.) - Secure generative AI platform (language/image generation, operation and management of generative AI models, etc.) - Acquire agentic AI technologies and assets (data curation, advanced RAG, LLM fine-tuning, evaluation, etc.) - Perform fine-tuning of a general-purpose robot AI model (Robot Foundation Model) and technologies for robot AI training, deployment, and inference - Build AI-based development models/tools to improve software development productivity and quality
Cloud/Infrastructure	- SaaS Platform 5G-specialized network	- Develop intelligent services by applying AI optimization to SINGLEX (enterprise SaaS service) - Research on GPUaaS technology
Physical AI	- Autonomous Mobile Robot (AMR⁸⁾) - Autonomous/intelligent robot operation platform - Robot AI Platform - Integrated hardware and software solutions for autonomous and intelligent robots	- Secure autonomous navigation, locomotion, and manipulation technologies - Develop synthetic data generation technologies based on AI training data and simulation⁹⁾ for intelligent robots (Physical AI Platform) - Develop integrated hardware/software solutions for industry-specific robots
Enterprise software	- Mar-Tech¹⁰⁾ (digital marketing optimization platform) - Test automation solution	Develop global advertising budget/bid optimization algorithms and operating systems
Blockchain	Blockchain-based digital trust	- Develop a platform for the issuance and trading of stablecoins - Develop an agentic AI payment service based on the central bank digital currency (CBDC) platform
Security	Cloud managed security service	Develop solutions for attack surface management, detection and security using AI technology
Quantum computing	- Quantum optimization - Hybrid quantum-classical computing - Quantum AI	- Validate large-scale optimization problems using quantum annealing - Demonstrate quantum optimization models based on real-world industrial data
Industry-specific solutions	Industry-specific solutions for manufacturing, logistics, finance, etc.	Develop industry-specific solutions by combining project experience in diverse industries such as smart factory, smart logistics, vertical farming¹³⁾, manufacturing, and healthcare with IT

1) Generative AI : AI technology that generates new content based on a user's prompt or request

2) Agentic AI : An autonomous AI system that executes tasks by combining functions such as work planning, tool use, and safety guideline compliance, to achieve goals independently without human intervention

3) Physical AI : A technology that uses artificial intelligence in physical environments to enable robots and machines to interact with humans

4) LMM(Large Multimodal Model) : A model capable of integrating and processing various types of data, including text, image, and audio

5) LAM(Large Action Model) : A model capable of operating the web and apps directly by learning user behavior patterns

6) VLM(Vision Language Model) : A model capable of integrating visual input and natural language text for processing

7) RAG(Retrieval-Augmented Generation) : A process that optimizes the output of LLMs by referring to a reliable external knowledge base to generate accurate and consistent responses

8) AMR(Autonomous Mobile Robot) : A robot that can plan its own route and move autonomously

9) Robot simulation : A series of processes that allows for the testing of robot software without the use of actual robots by placing virtual robots in a virtual environment

10) Mar-Tech : A portmanteau of "marketing" and "technology"; the software technology that marketing professionals use to optimize marketing activities and achieve goals

11) CBDC(Central Bank Digital Currency) : A digital form of a country's official currency, issued by the central bank

12) STO(Security Token Offering) : A method of issuing and selling assets in the form of digital securities by providing blockchain-based tokens that offer investors legal rights

13) Vertical farming : An agricultural technique in which crops are grown in vertically stacked layers, with environmental conditions precisely controlled to produce plants in a planned manner regardless of season or location

Sustainable Solution

LG CNS has developed a range of Sustainable Solutions, including FEMS, an integrated chemical management solution, and Aimos, to realize sustainable management across the entire value chain. Each solution is designed to systematically manage energy usage and improve resource efficiency, thereby helping to reduce the environmental impact of business operations.

Going forward, LG CNS plans to further enhance the capabilities of our existing solutions while gradually expanding their scope of application. In addition, we aim to enhance the practical application of these solutions across a range of industrial sectors, and will strive to create both environmental value and business success simultaneously.

FEMS(Factory Energy Management System)

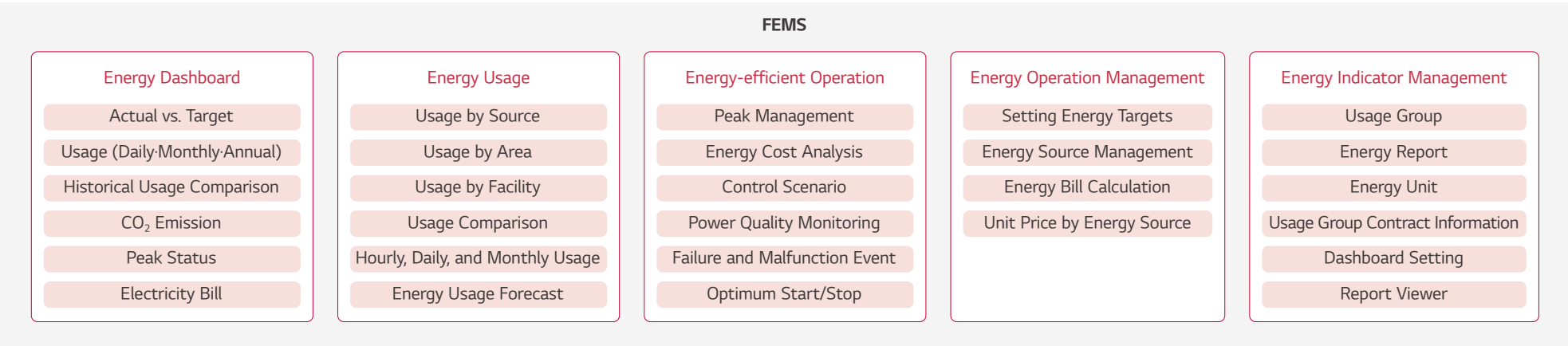
FEMS based on LG CNS's aOP (advanced Operation Platform) is a platform that supports the efficient management and operation of a factory's energy by comprehensively analyzing the consumption of energy resources such as electricity and gas, production status, greenhouse gas emissions, energy and environmental variables, and equipment operating efficiency and trends.

Utilizing an energy dashboard, consumption analysis, operational management, indicator management, and efficient operation, the system provides integrated management of performance against targets, consumption, CO₂ emissions, peak load status, billing information, energy consumption forecasts, failure and malfunction events, and optimal equipment operation. Additionally, it supports reduced IT implementation costs and improved energy management efficiency through an energy module add-on structure.

Benefits of the FEMS Management System

- Enhanced integrated visibility: The dashboard provides daily, monthly, and annual usage rankings, historical usage comparisons, peak usage status, estimated energy costs, and CO₂ emissions status based on the top energy-consuming groups.
- Flexible group-based management: Energy usage groups can be configured and managed by facility, space, energy source, or purpose. The system allows users to monitor current usage against target levels and compare daily, monthly, and annual energy consumption metrics.
- Support for operational stability and cost savings: The system enhances operational stability and helps reduce energy costs through data validation and correction, event handling, SOP-based responses, hybrid control, and optimum start/stop functions.

FEMS



Sustainable Solution

Integrated Chemical Management Solution

With the strengthening of the penalties for violating key chemical-related laws and regulations such as the Act on the Registration and Evaluation of Domestic Chemical Substances, the Chemical Substances Control Act, and the Occupational Safety and Health Act, as well as the growing need to comply with international regulations such as EU REACH, there is an increasing demand for a global-standard integrated chemical management system. To effectively respond to this change in the regulatory environment, LG CNS has developed an integrated chemical management solution based on innovative technology and expertise.

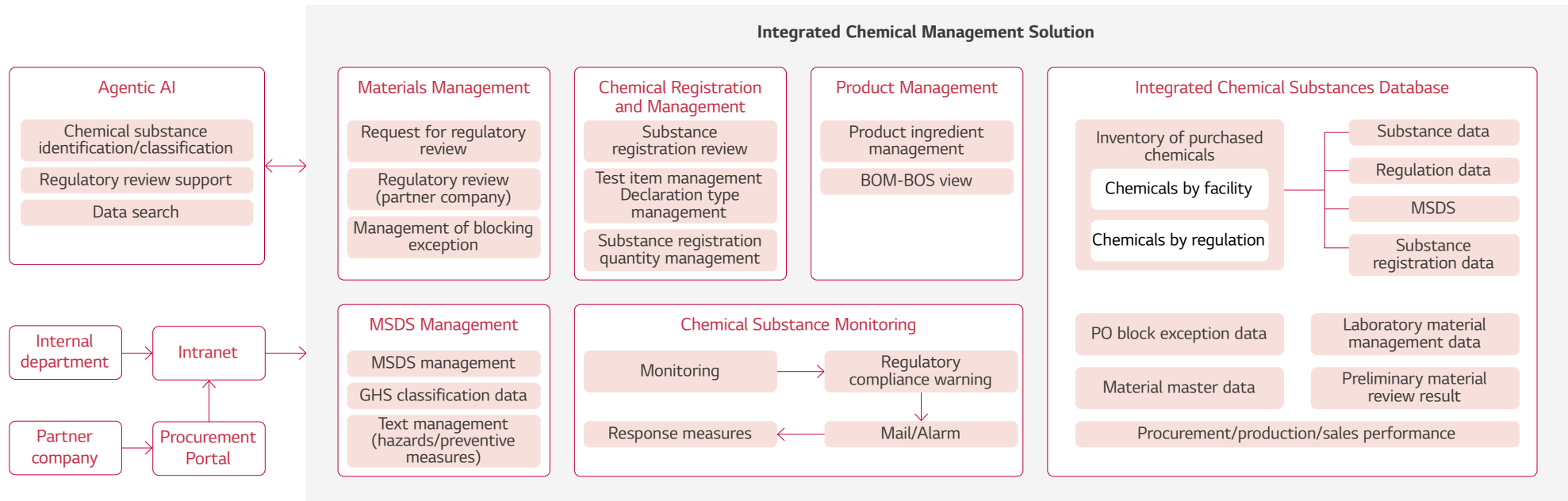
Previously, processes for addressing and managing regulatory requirements during the procurement, production, and sale of chemicals were not sufficiently systematized, which could lead to compliance risks, such as through exceeding permitted quantities. Furthermore, if issues occurred while responding to overseas regulations, such as omissions in inventory data collection, they could directly impact business operations, including through the restriction of product shipments.

To proactively address these chemical-related business risks and achieve sustainable safety and environmental management, LG CNS has developed a system that integrates chemical regulatory tasks into a single process. This enables a proactive assessment of regulatory risks during the mass production phase and streamlines the MSDS (Material Safety Data Sheet) issuance process, thereby enhancing both the convenience and accuracy.

Benefits of the Integrated Chemical Management Solution

- Integrate chemical substance regulatory tasks into a single process
- Enable a rapid response to internal and external regulatory requirements
- Digitize chemical substance data and increase convenience

Integrated Chemical Management Solution



Sustainable Solution

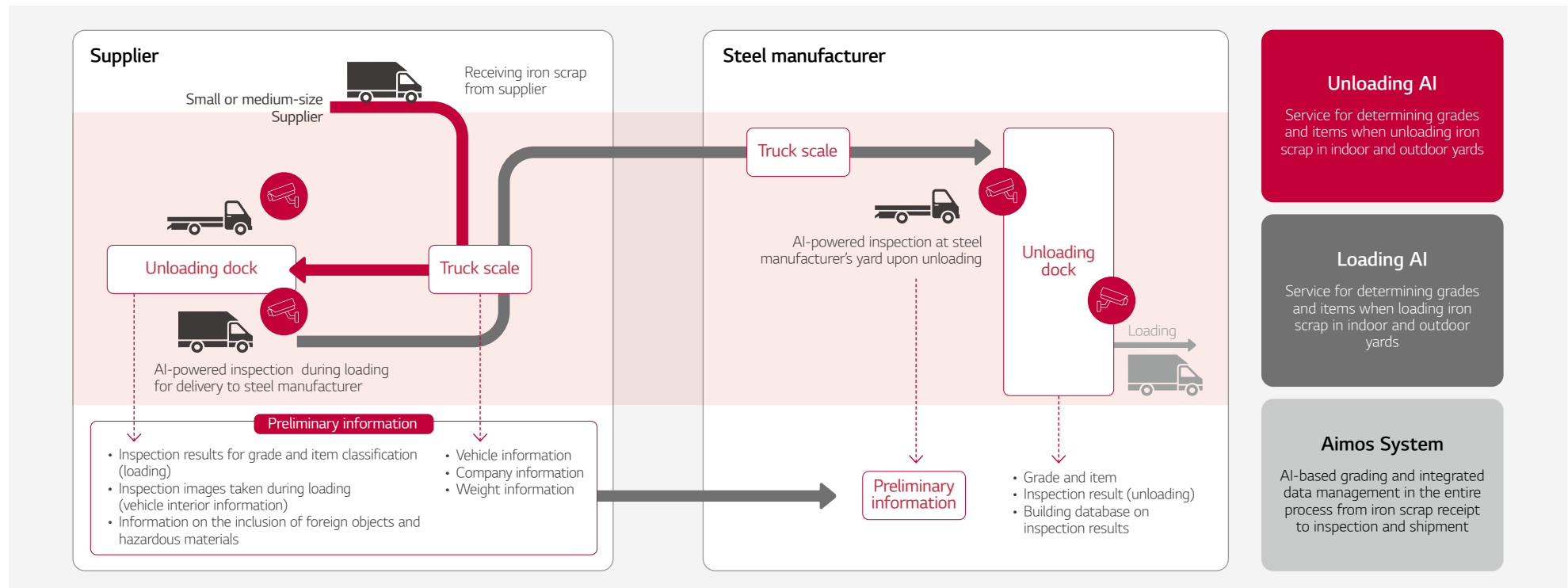
Aimos, AI Iron Scrap Grading Platform

Vision AI-based SaaS¹⁾ Platform for Resource Circulation and Carbon Neutrality

As the importance of carbon neutrality gains global attention, the steel industry is shifting from blast furnaces, which use iron ore as a raw material, to electric arc furnaces, a relatively low-carbon process that uses scrap steel. Consequently, iron scrap,²⁾ the primary raw material for electric arc furnaces, is becoming increasingly important. With the introduction of the Circular Resource Designation and Notification System in January 2024, iron scrap has been officially recognized as a circular resource. This recognition highlights its economic value as a recycled resource, bringing it renewed attention as a key element of the circular economy.

Responding to these changes in the business environment, LG CNS partnered with Daehan Steel to develop a Vision AI system that can grade scrap iron instantaneously, and is building a SaaS-based system with the goal of transforming the circular resource distribution system. In March 2024, the two companies established a joint venture to pursue full-scale commercialization based on these technologies and services.

Implementation of a quality management system by linking scrap data from the AI inspection system during the scrap receipt stage between the supplier (loading AI) and the steelmaker (unloading AI)



1) SaaS(Software as a Service) : A method of software delivery in which software is accessed online on a subscription basis, so that the user can pay for only what they use through accessing the cloud, rather than buying software on their own devices

2) Iron scrap : Discarded pieces of iron and steel

Sustainable Solution

Transforming Iron Scrap Inspection with Vision AI and SaaS Platform

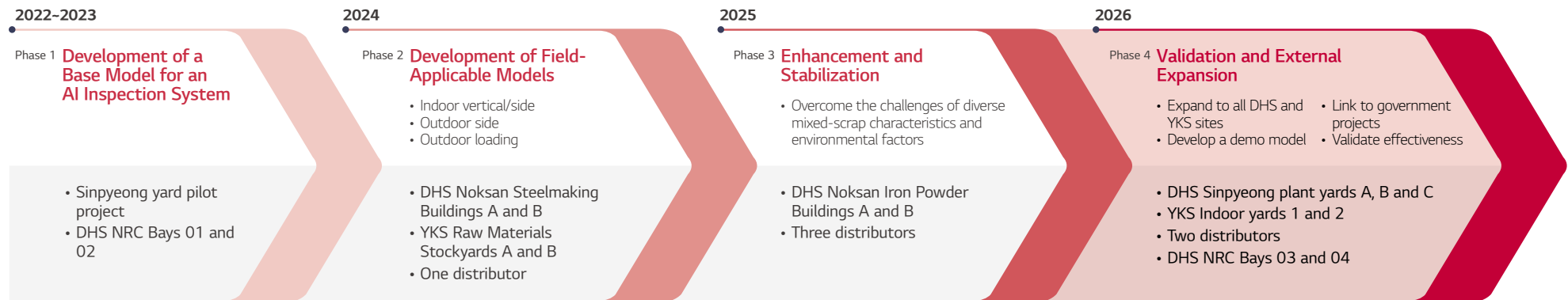
Automating the iron scrap grading process with Vision AI has streamlined the cumbersome work involved in manual observation and record-keeping, making it faster and more convenient. Significantly, the hazardous materials detection AI model mitigates the potential dangers that can arise during manual inspection, increasing workplace safety. As well, the AI automatically processes iron scrap recognition and grading and manages grading data. This supports data-based decision-making in production planning and purchasing strategies, and ensures objective reliability through consistent inspection results.

In addition, the adoption of a cloud-based SaaS platform allows inspection data to be collected and integrated across various devices, including PCs, mobile devices, and tablets. This has facilitated collaboration among multiple users and simplified integration with existing legacy systems. With the cloud system, users can access the same level of inspection services worldwide.

Since implementing the platform, the accuracy of AI-based grading has exceeded 85-90%, and the visual and numerical data of grading results have fostered reliable business relationships between steelmakers. Additionally, data-driven decision making has helped establish a reliable supply strategy, enabling planned production analysis through scrap quality management and improving product quality, which is expected to have positive impacts on the brand image over the long term.

Evolutionary Scale-Up from Demonstration to Widespread Adoption

Stage-based infrastructure deployment based on technical complexity to establish a standard model, followed by system enhancement and stabilization while broadening the scope of application and addressing environmental factors



Data-Driven Business Revolution, "AIMOS Value"

Cost Innovation and Business Competitiveness



- Reduce raw material costs by 1% and manufacturing costs with AI-based precision grading
- Establish a cost-optimized operational system by designing optimal recipes
- Improve productivity and profitability by reducing energy consumption and enhancing process efficiency

Implementation of ESG Management



- Contribute to the transition to a low-carbon production system by reducing energy consumption
- Minimize resource and fuel waste by preventing the re-melting of defective molten metal and reducing inspection wait times
- Minimize worker exposure to hazards and ensure safe operations through AI-based remote inspections

Enhancement of Supply Chain Transparency and External Trust



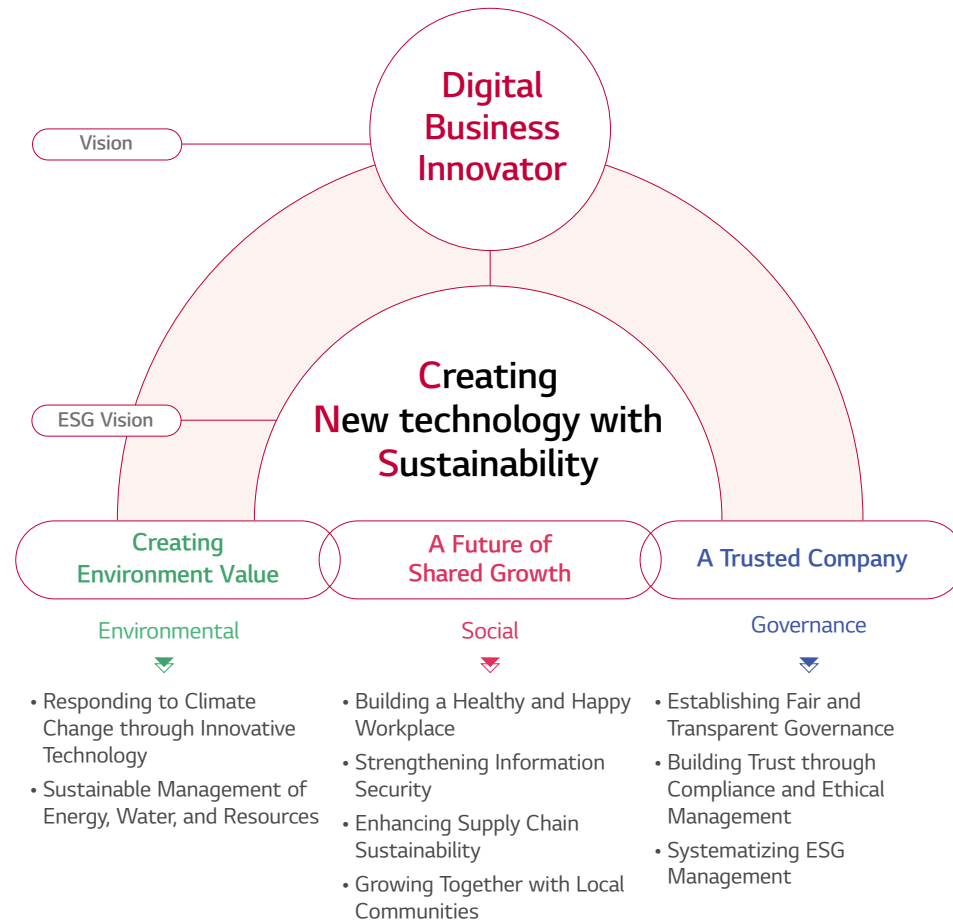
- Improve delivery quality through objective quality verification based on AI-powered grading data
- Enhance management of top-performing partner companies by analyzing their performance data
- Strengthen corporate brand value by preventing unfair practices and ensuring trust in business transactions

Sustainable Management Strategy and Performance

Vision for Sustainable Management

LG CNS aims to evolve into a global "AX Company" that leads innovative future technologies and pursues sustainable growth based on ESG values.

LG CNS is committed to realizing our core values, including technology innovation, a healthy workplace, and transparent management, to build a better future, and maintains ongoing communication with its diverse stakeholders, including clients, investors, partner companies, and employees.



Sustainable Management Operating System

LG CNS has established an ESG Committee under the board of directors that functions as the highest decision-making body for sustainable management, through which it regularly reports on and obtains approval for key company-wide ESG management matters. Under the ESG Committee, we operate the Sustainable Management Steering Committee, which is composed of executive-level members who plan and review ESG activities by sector, and the Sustainable Management Working Group, a team-leader-level body responsible for implementing strategic initiatives, managing targets, and responding to external evaluations. The Public Affairs/ESG Bureau, which drives and oversees the company's ESG direction, also works closely with relevant departments on a task-by-task basis to monitor the progress of strategic initiatives and continuously manage key ESG trends and risks.



Sustainable Management Strategy and Performance

2025-2026 ESG Key Figures

LG CNS's key ESG achievements by category for 2025-2026 are as follows.

Environmental

Total energy saved at data centers

122TJ

Energy saved

Approx. 9%
increased compared
with the previous year



Waste from the HQ

100%
recycled



Social

Shared growth index

"Highest"
rating for
eight
consecutive
years



Training for partner companies

204 courses

Number of partner company
employees who completed
the course

2,819 persons



Amount invested in information
security

Approx. 19%
increased compared
with the previous year

Dedicated personnel
for information security

Approx. 45%
increased compared
with the previous
year



Ministry of Employment and Labor

Selected LG CNS as an
"Excellent
Company in Labor-
Management
Culture"



Haengbokmaru

was selected as a
"comfortable
workplace of
the year"



Amount allocated for social
contribution

Approx.
KRW 4.3 billion

Approx. 71%
increased compared
with the previous year



Governance

Dividend

KRW 1,850 per
share

Approx. 55%
increased compared
with 2022



BOD Chairperson

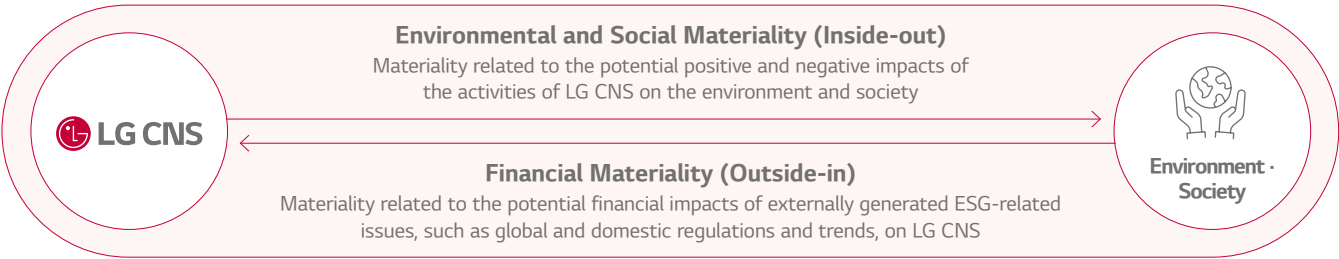
Elected an
Independent
director



Double Materiality Assessment

Double Materiality Assessment Overview

LG CNS conducts an annual Double Materiality Assessment that comprehensively considers both “environmental and social materiality” and “financial materiality.” This assessment complies with the revised GRI (Global Reporting Initiative) Standards 2021 and references the Double Materiality Assessment methodology of the ESRS (European Sustainability Reporting Standards). For key sustainability management items, specific details were defined for each sub-item, followed by an IRO (Impact, Risk, Opportunity) analysis of the impact, risks, and opportunities associated with each issue. Through this process, we identified the positive and negative impacts that LG CNS can have on the environment and society, and the risk and opportunity factors that can affect LG CNS. Additionally, we conducted surveys of internal and external stakeholders to enhance the reliability and validity of the materiality assessment results. The overall process and results of the materiality assessment are reported as an agenda item to the ESG Committee under the board of directors and are utilized in the formulation of company-wide business strategies and risk management. To enhance the reliability of the materiality assessment, we ensure the objectivity of the entire process through third-party verification.



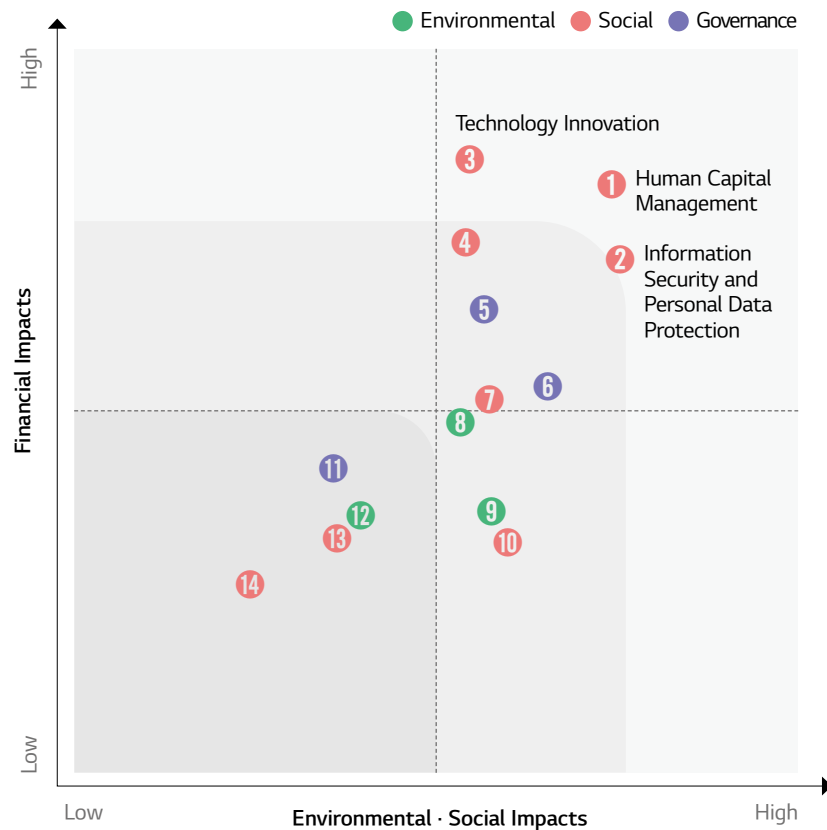
Double Materiality Assessment Process

STEP 1.	STEP 2.	STEP 3.	STEP 4.		
Analyzing business environment	Identifying IROs by issue	Conducting materiality assessment and prioritizing	Selecting major issues		
Understand corporate activities and business environment • Analysis of ESG disclosure initiatives • Media analysis • Analysis of business operations • Industry analysis • Stakeholder requirements • ESG rating agency metrics	Identify actual and potential IROs by issue • Environmental and social impacts - The positive and negative impacts of a company's business activities on the external environment and society • Financial impacts - The impact of external factors on a company's financial condition	Assess the environmental, social, and financial materiality of each item based on surveys of internal and external stakeholders <table><tr><td>Environmental & social materiality - Scale of impact - Likelihood of occurrence - Resilience - Scope of affected stakeholders </td><td>Financial materiality - Scale of impact - Likelihood of occurrence </td></tr></table>	Environmental & social materiality - Scale of impact - Likelihood of occurrence - Resilience - Scope of affected stakeholders	Financial materiality - Scale of impact - Likelihood of occurrence	• Prioritize based on a comprehensive analysis of environmental, social, and financial impacts • Report the evaluation results to the ESG Committee • Disclose response measures and key activities for each issue
Environmental & social materiality - Scale of impact - Likelihood of occurrence - Resilience - Scope of affected stakeholders	Financial materiality - Scale of impact - Likelihood of occurrence				

Double Materiality Assessment

Double Materiality Assessment Results

LG CNS assessed a total of 14 key sustainability management topics using media analysis, comparison of the ESG strategies of peer companies, domestic and international regulatory analyses, and internal and external stakeholder surveys, referring to major global ESG disclosure standards and evaluation indicators such as GRI and SASB (The Sustainability Accounting Standards Board). Each topic was evaluated based on its impact on sustainability and its financial relevance. Through this assessment, “human capital management,” “information security and personal data protection,” and “technology innovation” were selected as the top three material issues.



Rank ¹⁾		Issue	Environmental & Social Materiality	Financial Materiality	Report Pages
1	▲	Human capital management	●●●●●	●●●●●	40-47p
2	▼	Information security and personal data protection	●●●●●	●●●●●	56-62p
3	▼	Technology innovation	●●●	●●●●●	11-15p
4	▲	Client satisfaction	●●●	●●●●●	74-76p
5	▼	Compliance	●●●●●	●●●●●	86-88p
6	-	Transparent and sound corporate governance	●●●●●	●●●	78-80p
7	▲	Growing together with partners	●●●●●	●●●	71-73p
8	▲	Response to climate change	●●●	●●	31-37p
9	New	Reduction of environmental pollution	●●●●●	●	28-30p, 38p
10	-	Human rights management	●●●●●	●	48-55p
11	▼	Risk and crisis management	●●	●●	81-85p
12	New	Energy management and efficiency improvement	●●	●	36-37p
13	▼	Safety and health management	●●	●	63-67p
14	▼	Contribution to the community and social contribution	●	●	68-70p

1) Indicates change in rankings compared to the 2025 materiality assessment

Double Materiality Assessment

Key Issues for Creating Corporate Value

Based on the results of the 2025 materiality assessment, of the 14 material issues identified, LG CNS has selected “human capital management,” “information security and personal data protection,” and “technology innovation” as key management issues. LG CNS then systematically classified the relevant impacts, strategies, objectives, and performance indicators for these issues, and is proactively managing risks and opportunities through regular reviews and improvement activities.

Issue	Impact on Business	Impact	Strategy	Target	Key Activities & Achievements
Human Capital Management	Increased risk of losing top talent due to intensifying competition for AX talent both domestically and internationally, leading to a decline in industrial competitiveness	Risk	- Secure top talent and retain key personnel - Strengthen recruitment of AX/RX and global talent - Enhance the competency-based development system - Retain key personnel	- Expand the proportion of global hires for AX talent - Recruit top talent in AI, cloud, security, etc. - Cultivate more experts with AX/RX capabilities (1,400 certified experts by 2026) - Reduce turnover among key personnel	- Operate a recruitment process based on domain and technical expertise - Expand global talent recruitment and diversify recruitment channels - Expand the pool of AX experts - Enhance the key personnel management system and implement differentiated compensation - Increase industry-academia partnership programs
Information Security and Personal Data Protection	A decline in client trust and loss of business opportunities following a security incident due to damage to the company's reputation	Risk	Enhance and continuously improve the company-wide information security governance framework	Establish a proactive and self-directed protection system to achieve zero security incidents	- Maintain existing information security certifications and obtain new certifications - Strengthen ongoing inspection and management activities
Technological Innovation	Frequent resetting of R&D directions due to the accelerating pace of innovation driven by advancements in AI technology, leading to a decline in technological competitiveness	Opportunity	- Focus R&D on the AX/RX sector, which holds high future business value - Strengthen capabilities and business operations in response to the intensifying competition in AI adoption	- Expand the scale and focus of AX/RX investments - Identify emerging technologies and make proactive investments to secure a leading position in future markets - Lead global market through our agentic AI-based AX business - Become the leading provider in the domestic AX market (By 2026) - Internalize and expand the AI Agent-based AX framework across LG affiliates (By 2026) - Rank among the top 5 in the global agentic AI-based AX market (By 2030) - Secure a dominant position in the domestic AX market (By 2030)	- AX/RX-related investments account for 65% of total investments (2025) - Secure AX implementation cases and best practices (over 400 cases) - Secure references in the financial, public, and manufacturing sectors - Strengthen partnerships with AI specialists

Double Materiality Assessment

Material Issues for External Stakeholders

LG CNS identifies the direct effects of its business activities on external stakeholders, such as the environment and local communities, and assesses the level of impact in order to manage relevant impacts systematically.

Issue	Stakeholders	Businesses that Cause an Impact	Nature of the Impact	Impact on Stakeholders	Measurement Indicator	Impact Assessment and Impact Indicators ¹⁾
Technological Innovation	Environment Society Community Clients Shareholders	Product and service	Positive	AX has become a critical element for corporate survival, and cloud- and data-driven innovation is accelerating together with the proliferation of generative AI. Consequently, there is a surge in demand for data centers, and the global data center market is projected to grow at an average annual rate of over 13% over the next decade. ²⁾ While the growth of data centers leads to higher energy consumption, the shift to cloud services can reduce carbon emissions by up to 80% compared to operating on-premises servers, presenting a significant opportunity from an environmental perspective. ³⁾ Such technological transitions are also expected to contribute to reducing carbon costs across society as a whole.	Data center power consumption	Reduction in the social cost of carbon emissions through cloud technology ⁴⁾ Approximately KRW 7.5 billion to 17.6 billion
Information Security and Personal Data Protection	Clients Community	Business site Product and service Supply chain	Negative	As cyber threats become increasingly sophisticated, the scale of damage to enterprises is rapidly growing. In 2025, losses from global cybercrime were estimated as reaching approximately \$10.5 trillion. ⁵⁾ In particular, AI-based intelligent attacks and supply chain attacks are emerging as major threats. Given the nature of LG CNS's business, which involves operating numerous client systems, there is a high likelihood that any security incident could result in widespread damage. In fact, research has shown that over 80% of companies that have experienced a cyberattack have suffered business disruptions, and that a company's stock return rate declines by an average of approximately 1.3% following such an incident. ^{6),7)} Based on these findings, an analysis of the impact of LG CNS's security incident on its clients' business operations estimates that the loss in corporate value for major clients will amount to approximately KRW 660 billion. This demonstrates that security incidents pose a significant risk, as they can lead to economic losses not only for individual companies but for society as a whole.	Impact of business disruption due to security incident	Loss of corporate value for clients resulting from information security incidents Approximately KRW 660 billion

1) By quantifying the “positive impact on the environment and society” (social value) generated by corporate activities in monetary terms, we evaluate and monitor our sustainable management performance on an annual basis and disclose this information transparently to various stakeholders. Social value is measured solely as the performance of corporate activities (programs) or the provision of financial products and services that is not compensated at market prices. It is influenced by complex factors such as changes in government policies and market conditions, as well as research findings on social costs, and may be adjusted or supplemented if these underlying assumptions change.

2) Global Market Insight (2024), Data Center Infrastructure Management (DCIM) Market Size and Share

3) S&P Global Market Intelligence (2021), The Carbon Reduction Opportunity of Moving to the Cloud for APAC

4) Dong-kyu Lee, Seong-kyu Lee (2024), The Social Cost of Carbon: Estimating the Social Cost of Carbon Using the Benefit Transfer Method, Korea Energy Economics Institute

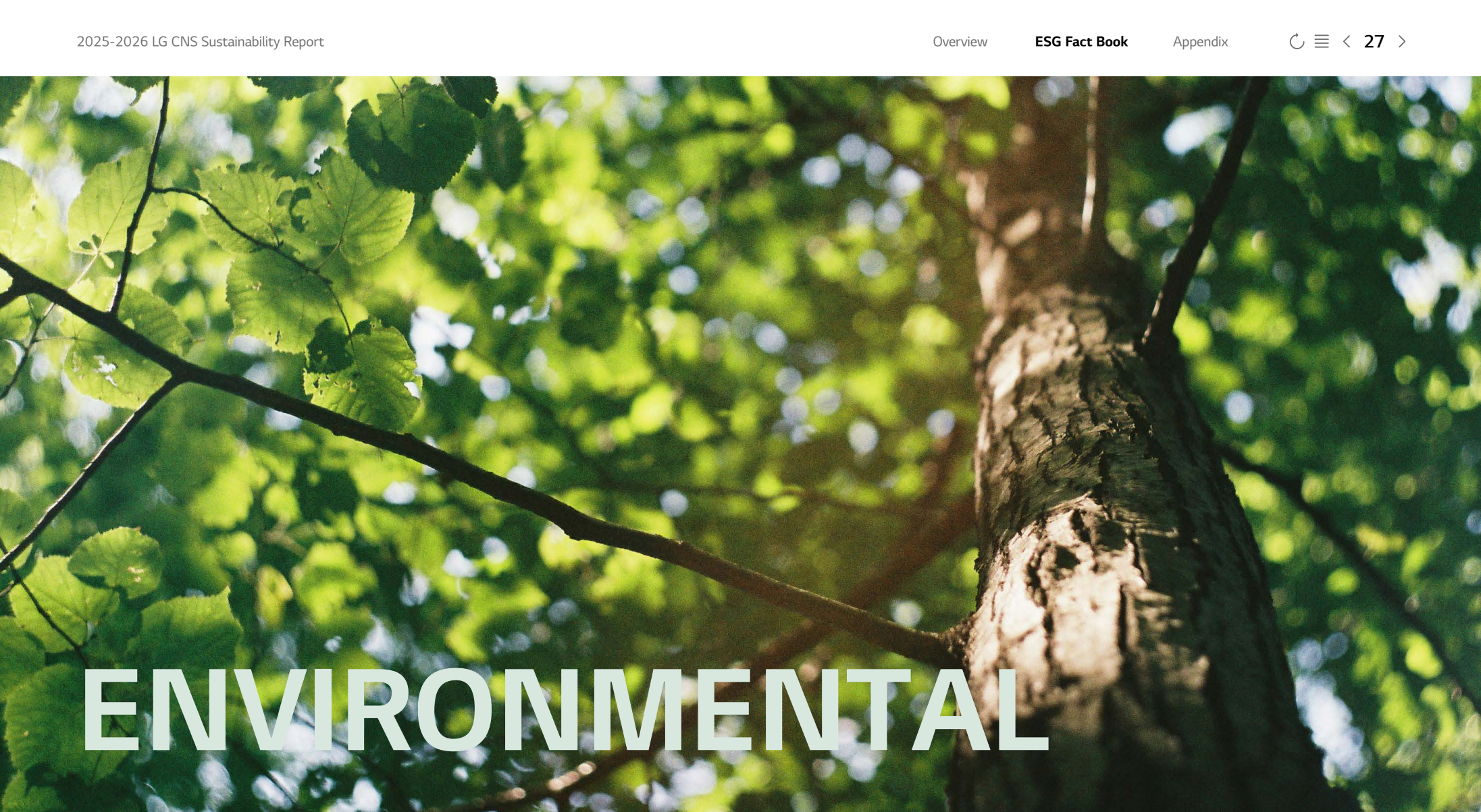
5) Cybersecurity Ventures (2023), Boardroom Cybersecurity Report 2023

6) IBM (2025), Cost of a Data Breach Report 2025

7) Soon-man Kwon, Chang-hee Han (2016), Analysis of the Effects of Information Leaks on Corporate Value: Sources and Long-Term Performance

ESG Fact Book

27	Environmental
39	Social
77	Governance



ENVIRONMENTAL

28	Environmental Management
31	Climate Change
38	Resource Circulation

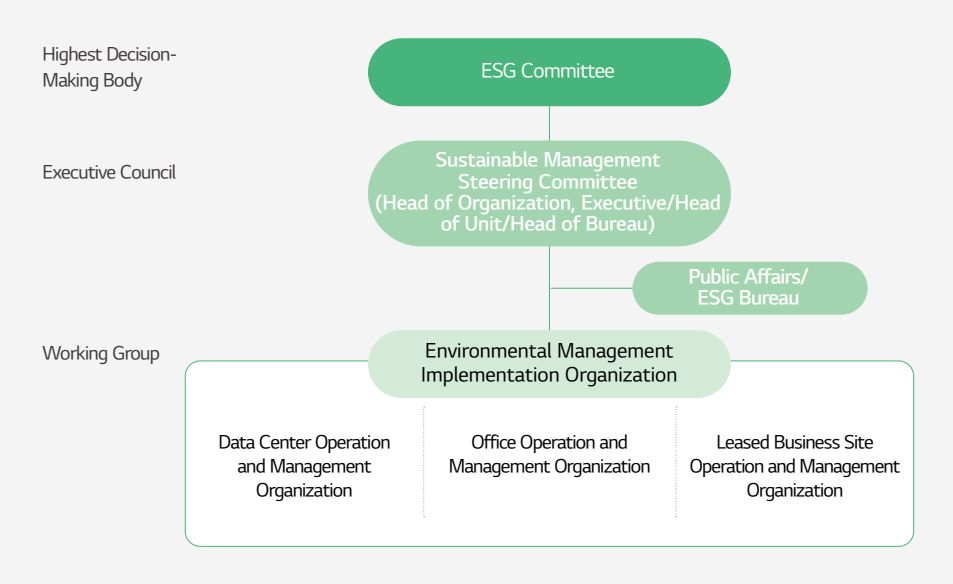
Environmental Management

Governance

Environmental Management System

To proactively address environmental and climate change issues, LG CNS has established an environmental management system. We operate an ESG Committee under the board of directors as our highest decision-making body. The ESG Committee is responsible for managing and overseeing strategies to address environmental and climate change issues, and it reviews performance, environmental matters, and the direction of key ESG initiatives at least once every six months. The Sustainable Management Steering Committee, composed of executives and heads of unit from key ESG-related departments, continuously manages relevant risks and opportunities and engages in in-depth discussions about emerging issues to strengthen our response to climate change. The Public Affairs/ESG Bureau serves as LG CNS’s management organization for sustainable management and climate change, overseeing the company-wide environmental management system. The operation and management teams at each business site act as the implementing units for environmental management and carry out ESG strategic tasks. Additionally, the head of the Public Affairs/ESG Bureau incorporates climate change management metrics into KPIs and monitors related performance.

Company-wide Environmental Management Organization



Agenda Items for ESG Committee Regarding the Environment

The ESG Committee deliberates on key initiatives related to the environment and climate change, as well as ESG strategic tasks and performance. To strengthen the role and responsibilities of the board of directors in sustainable management and enhance corporate value over the long term, the Committee is continuously expanding its discussions on important ESG-related issues.

Agendas of the ESG Committee

Date	Agenda
March 21, 2025	① Report on the implementation of ESG strategy consulting, ② Report on the compliance control plan
October 23, 2025	① Report on the result of ESG strategy consulting, ② Report on the status of the compliance control system in 2025
March 24, 2026	① Appointment of the chairperson of the ESG Committee
May 8, 2026	① Status of ESG policy disclosure and implementation of strategic initiatives, ② Report on carbon credits and climate change response, ③ Report on the 2026 double materiality assessment results, ④ Report on the 2026 compliance annual work plan

Environmental Management Policy

LG CNS has established an Environmental Management Policy and set out management principles for each environmental sector to actively address environmental and climate change issues. This Policy applies to all LG CNS business sites, both domestic and international, as well as our subsidiaries and joint ventures, and encourages compliance by business partners. LG CNS plans to continuously refine the scope and content of the Policy by applying it to our business operations and key decision-making processes.

[🔗 LG CNS Environmental Policy and Guidelines](#)

Biodiversity Conservation Policy

LG CNS has designated “biodiversity conservation” as one of the fundamental principles of environmental policy, and manages it as a key task. In addition, LG CNS has established a dedicated biodiversity conservation policy to contribute to the preservation of the environment and ecosystems, and is committed to faithfully implementing it.

[🔗 LG CNS Biodiversity Conservation Policy](#)

Environmental Management

Status of Environmental Management Certifications

As part of systematic approach to operate Environmental Management System, LG CNS obtains and maintains various eco-friendly certifications. Based on our Environmental Management Policy, we identify, assess, manage, and improve environmental risks from a company-wide perspective.

List of Eco-Friendly Certifications

Category	Certification
1	ISO 14001 (Scope of certification : All company sites and business areas)
2	ISO 50001 (Scope of certification : Sangam, Gasan, Busan, Hanam Data Center)
3	LEED SILVER (Scope of certification : Magok Headquarters)

ISO 14001 Certification



Status of Participation in Environmental Initiatives

LG CNS plans to participate in the Carbon Disclosure Project (CDP) to communicate with stakeholders regarding climate change response and greenhouse gas reduction and management.

Activities & Achievements

Environmental Management Education

LG CNS conducted an online education program on the environment for all employees in order to raise their awareness of environmental management (total participants: 1,178). We produced a custom video tailored to our company's specific characteristics to effectively communicate LG CNS's goals and vision. In addition, we invited external environmental experts to give in-person training to approximately 20 members of ESG-related departments on the topic of "Training on Response Measures for the Telecommunications Sector under Phase 4 of the Greenhouse Gas Emissions Trading System." We also provided training on reducing energy consumption, waste emissions, and water usage through an ISO 14001 internal auditor training course.

LG CNS is currently conducting a company-wide "Energy Conservation Campaign" and a "Water Conservation Campaign" in company restrooms to build an awareness among employees of the importance of environmental management and to reduce the energy and water consumption of our office spaces.

ESG Environmental Education

2025.12

지속가능한 미래를 만드는

ESG 환경교육 수강 안내

12.08 MON ~ 12.24 WED

지속가능한 미래를 만들기 위해서는 우리 모두가 환경문제의 심각성을 인지하고, 일상 속 작은 실천을 이어가는 것이 중요합니다. 임직원 여러분의 ESG 이해도 제고와 환경보호 의식 강화를 위해 전사 온라인 환경교육을 실시합니다. 이번 교육을 통해 ESG의 본질과 우리의 역할을 되돌아 보는 계기가 되길 바라며, 임직원 여러분의 적극적인 참여와 관심 부탁드립니다.

※ '25년 교육은 "지속가능한 자원의 활용, 이라는 측면에서 '24년 CNS 맞춤형으로 제작한 영상을 한 번 더 활용합니다.

교육 일정	2025년 12월 8일(월) ~ 12월 24일(수)
교육 대상	LG CNS 전 임직원
교육 내용	ESG 기본 개념 및 실천방안(6분)
이수 기준	진도율 100% ※ 영상을 끝까지 시청해서야 '이수'로 인정되며, 미제출자는 복권형 예정입니다. ※ 별도 테스트 또는 설문은 없습니다.
수강 방법	본 게시글 Click 또는 SINGLEX 배움마당을 통한 온라인 학습

Energy Conservation Campaign

정부의 '에너지 절감 정책'에 따른 에너지 절감 및 불필요한 비용 줄이기

에너지 절감에 적극 동참해 주시기, 불필요한 물품은 최대한 구매하지 않도록 적극 애용 부탁드립니다

작업 10분제 시행

작업 전후 30초간 조명, TV, 프린터 등 전원 차단

출근 시, 퇴근 시, 휴게시간 등 전원 차단

필수품 구매

필수품 구매 시, 구매 내역 확인

필수품 구매 시, 구매 내역 확인

에너지 절감 및 불필요한 비용 줄이기

에너지 절감 및 불필요한 비용 줄이기

에너지 절감 및 불필요한 비용 줄이기

에너지 절감 및 불필요한 비용 줄이기

Water Conservation Campaign in Restrooms

물 절약!

한 사람이 하루 동안 사용하는 물의 양은 물이 부족한 나라의 아이가 3개월 동안 사용할 수 있는 양이며, 물 부족 국가인 우리나라에서 물 절약은 선택이 아닌 필수입니다. (우리가 쓰는 직구 물의 1%는 담수이며, 2%는 빙하, 97%는 해수입니다)

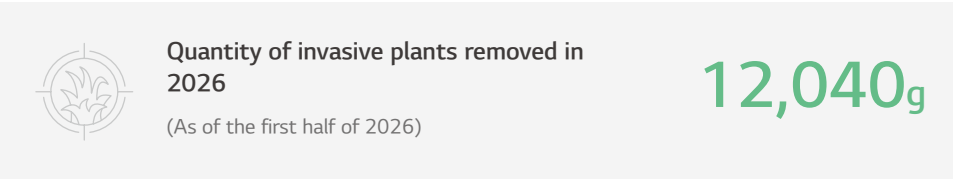
양치질 할 때 수도꼭지 잠그기

비누칠 할 때 수도꼭지 잠그기

Environmental Management

Biodiversity Conservation Activities

Since 2026, LG CNS has partnered with the Seoul Metropolitan Government to conduct the “GX (Green Transformation) Volunteer Group - Hangang Protectors” activity, which focuses on removing invasive plant species near the Han River. As part of our biodiversity conservation policy, we are planning to hold four events per year in 2026 at Gangseo Hangang Park and Yeouido Saetgang Ecological Park. These locations are near our offices and will enable the employees to participate directly and contribute to the local community. Building on this initiative, we intend to carry out a wider range of eco-friendly and biodiversity conservation activities in the future.



GX Volunteer Group - Hangang Protectors Activities



Climate Change

Governance

Energy Management System

After obtaining our first ISO 50001 certification in 2024, LG CNS conducted a surveillance audit in 2025 to maintain the certification, verifying the compliance and effectiveness of our energy management system. Our audit confirmed that the energy management system is being consistently maintained and implemented across all sites.

This year, LG CNS plans to gradually expand the scope of ISO 50001 certification to include the newly opening Jukjeon Center, in addition to the existing data centers (Sangam, Busan, Gasan, and Hanam Centers) that were previously covered by the certification. By doing so, we aim to internalize the energy management system from the early stages of the new data center's operation, enhancing its energy management standards.

ISO 50001 Certification



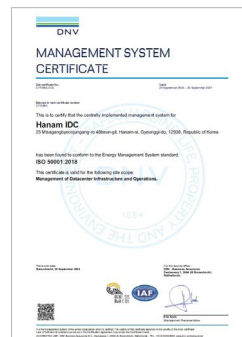
Sangam IT Center



Busan Global Cloud Data Center



Gasan Center



Hanam Center

Risks & Opportunities Management

Climate Change Risks and Opportunities

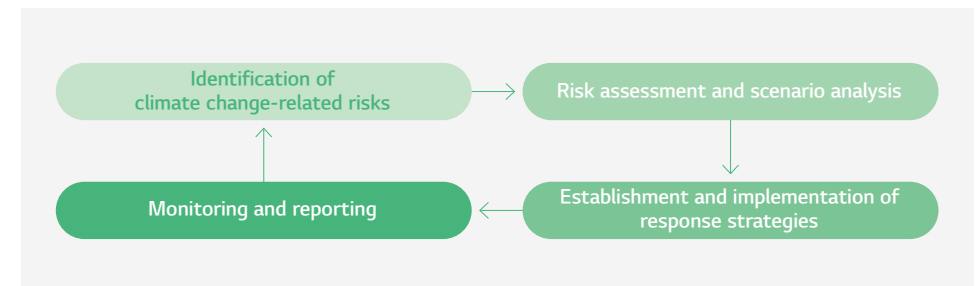
Climate change is a realistic challenge that requires a collective response from government, businesses, and the public, and also significantly impacts corporate management. The extreme natural disasters caused by climate change not only disrupt the entire value chain but also directly affect business operations.

Tighter environmental laws and regulations worldwide, coupled with growing demands from stakeholders, are prompting companies to improve their response to climate change in a more systematic way. Greenhouse gas management systems, such as the emissions trading scheme, have become crucial policy tools that encourage companies to recognize the impact of their emissions and increase their reduction efforts. Furthermore, as the policy direction for achieving Nationally Determined Contributions (NDCs) continues to strengthen, it becomes increasingly important for companies to establish medium- to long-term response strategies. At the same time, key stakeholders, such as investors, are placing significant importance on evaluating companies' management of climate change risks and ensuring these risks are reflected in corporate value.

Accordingly, LG CNS has established a management process to identify internal and external risk factors related to climate change, covering not only our directly operated facilities but also the entire upstream and downstream supply chains, and to respond to them promptly. LG CNS also analyzes the financial impact of each risk type, formulates and implements response strategies, and identifies opportunities to enhance competitiveness arising from climate change response efforts.

LG CNS has identified power supply and water scarcity as key risks due to their growing importance in the context of climate change, and manages them based on scenario analysis. In addition, LG CNS is continuously working to identify and manage new risks that could have a financial impact on the company. We have established and operate a system to ensure that these major agenda items are subject to decision-making by top management and outside directors through the ESG Committee, which serves as the highest decision-making body related to climate change response.

Climate Change Risk Management Process



Climate Change

Analysis of Climate Change Risks and Opportunities

Risk Type			Duration of Impact		Value Chain			Description	Response	Opportunity	Financial Impact (~2050)
			Short-term (~2030)	Mid-to-long term (~2050)	Upstream	In-house operation	Downstream				
Transition Risk	Policy/Regulation	Strengthening of greenhouse gas policies and regulations	●	●				• Increasing costs associated with purchasing greenhouse gas emission allowances	• Reduce greenhouse gas emissions through the adoption of high-efficiency equipment	• Generate revenue through the acquisition and sale of surplus emission allowances	• Impact of risk : KRW 34~57 billion * Mitigation cost : KRW 20 billion
		Rising electricity rates and power supply shortages	●	●				• Increasing operating costs due to rising electricity rates	• Reduce electricity consumption by improving power efficiency, setting appropriate heating and cooling temperatures, and installing inverters	• Reduce electricity costs and achieve carbon neutrality through the adoption of renewable energy	
	Technology	Growing need to adopt eco-friendly new technologies		●	○	○		• Increasing R&D costs for the transition to low-carbon technologies and equipment	• Develop optimal systems, such as liquid cooling	• Ensure resource efficiency through the adoption of low-carbon technologies	• Impact of opportunity : KRW 3 billion * Annual opportunity cost : KRW 800 million
	Market	Increasing electricity use due to the advancement of AI	●	●				• Increasing operating costs due to rising electricity consumption	• Reduce electricity consumption by adopting liquid cooling and implementing power efficiency measures	• Enhance business competitiveness by strengthening clients' businesses	
	Reputation	Growing demand from investors for efforts to address climate change	●	●	○	○	○	• Decreasing investment due to lower ESG ratings	• Address stakeholder demands by establishing and implementing KPIs related to climate change response	• Attract more investment by improving our reputation for addressing climate change	-
Physical Risk	Acute	Heat waves		●				•Increasing operating costs due to higher electricity consumption for cooling	• Reduce electricity use by adopting liquid cooling and implementing power efficiency measures	• Reduce service costs by increasing PUE	• Impact of risk : KRW 4 billion * Mitigation cost : KRW 20 billion
	Chronic	Water stress		●				• Increasing service costs due to water shortages	• Strengthen efforts to reduce water withdrawal and increase water reuse	• Reduce costs by decreasing water withdrawal	-

Climate Change

Strategy

Transition Scenario

※ Scenario Types : IEA STEPS, IEA APS

LG CNS operates in a variety of sectors, including IT services, DX (digital transformation), AX (AI transformation), and data center operations.

Given LG CNS's business structure, direct emissions (Scope 1) account for only a limited share of total emissions, while electricity consumption from the operation of data centers and IT infrastructure accounts for a significant share due to the nature of its business. We expect that the expansion of data center and IT infrastructure businesses, along with strengthened global climate policies, will directly lead to rising electricity costs, significantly impacting operating costs and profitability.

To address these future environmental changes, we reviewed transition risks using the International Energy Agency's (IEA) STEPS (Stated Policies Scenario) and APS (Announced Pledges Scenario) scenarios.

The STEPS scenario is a conservative path that projects the future based on policies that governments are actually implementing or have already legislated, while the APS scenario is a more stringent policy path designed under the assumption that the Nationally Determined Contributions (NDCs) and net-zero commitments announced by each country are fully implemented.

Under both scenarios, changes in the power generation structure are expected as the proportion of paid allowances in the transition sector (power sector) within the domestic Greenhouse Gas Emissions Trading System increases, fossil fuel power generation decreases, and the share of renewable energy expands. Notably, Korea, where our major data centers are located, has finalized the NDC target to reduce greenhouse gas emissions by 53–61% by 2035 compared to 2018 levels, and has legislated the 2050 carbon neutrality target through the enactment of the 'Framework Act on Carbon Neutrality and Green Growth'.

Based on the above scenarios and national greenhouse gas reduction targets, we analyzed the financial impact and found that the cost of securing emission allowances is expected to gradually increase. Based on the current price of greenhouse gas emission allowances, we estimate that approximately KRW 34 billion will be required by 2040 and approximately KRW 57 billion by 2050. A higher cost increase is expected in the APS scenario than in the STEPS scenario due to the accelerated pace of policy implementation.

To address these risks while remaining aligned with the national reduction pathway, LG CNS intends to make it a key priority to improve the energy efficiency of its data centers, which account for a significant portion of the company's total greenhouse gas emissions. Considering the growing demand for power driven by the proliferation of high-performance equipment used for AI, we plan to expand the application of liquid cooling technology, which involves attaching cooling plates to servers or immersing equipment directly in a cooling fluid, to overcome the limitations of existing air cooling methods.

As described above, we expect to incur approximately KRW 20 billion in costs related to power efficiency improvements and high-efficiency equipment to proactively address transition risks.

In addition, we plan to gradually increase the proportion of renewable energy procurement in anticipation of intensifying competition for renewable energy in the future, and we will continue to explore long-term renewable energy procurement strategies, such as PPA (Power Purchase Agreement).

Climate Change

Physical Scenario (Acute_Heat Waves)

※ Scenario Types : SSP1-2.6, SSP5-8.5

Ongoing climate change is causing macro-level environmental shifts, such as an increase in the number of days with extreme heat. Notably, external temperature is a critical variable directly affecting server operational efficiency and stability in data center operations, which is a core business of LG CNS. Rising temperatures act as a direct operational risk by increasing the load on data center cooling systems and driving up power consumption.

We analyzed physical risks using the Shared Socioeconomic Pathways (SSP) scenarios from the 6th report of the Intergovernmental Panel on Climate Change (IPCC). For this analysis, we selected SSP1-2.6, the most optimistic low-carbon pathway, and SSP5-8.5, a high-emission pathway in which emissions continue at current levels, as control groups in order to predict changes in the number of heatwave days by 2050.

The analysis revealed that the number of heatwave days in the Seoul metropolitan area, where data centers are concentrated, is projected to increase by 8.8 to 10.8 days under the SSP1-2.6 scenario, and to sharply rise to 19.9 to 24.0 days under the most pessimistic SSP5-8.5 scenario, compared to current levels. Additionally, in the Busan region, where the Busan Global Cloud Data Center is located, the number of heatwave days is projected to increase by 6.9 days under the SSP1-2.6 scenario and by 12.0 days under the SSP5-8.5 scenario during the same period.

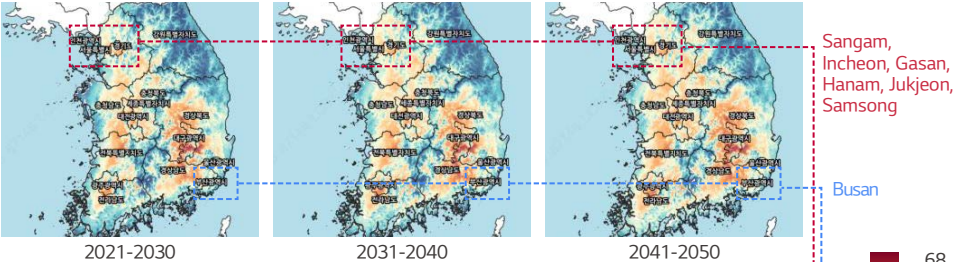
Estimated Number of Heatwave Days by Data Center Location

Data Center Location	Period	SSP1-2.6	SSP5-8.5
Sangam	2021-2030	30.4 days	32.8 days
	2031-2040	34.4 days	37.9 days
	2041-2050	40.2 days	56.8 days
Busan	2021-2030	10.6 days	10.7 days
	2031-2040	13.3 days	11.1 days
	2041-2050	17.5 days	22.7 days
Incheon	2021-2030	16.5 days	19.3 days
	2031-2040	21.5 days	22.2 days
	2041-2050	25.3 days	39.2 days
Gasan	2021-2030	27.4 days	30.1 days
	2031-2040	31.8 days	34.5 days
	2041-2050	37.9 days	54.1 days
Hanam	2021-2030	32.7 days	35.1 days
	2031-2040	37.0 days	40.0 days
	2041-2050	43.5 days	58.9 days
Jukjeon	2021-2030	25.0 days	26.9 days
	2031-2040	28.2 days	31.0 days
	2041-2050	34.1 days	48.7 days
Samsong	2021-2030	26.7 days	29.5 days
	2031-2040	31.0 days	33.5 days
	2041-2050	36.1 days	52.0 days

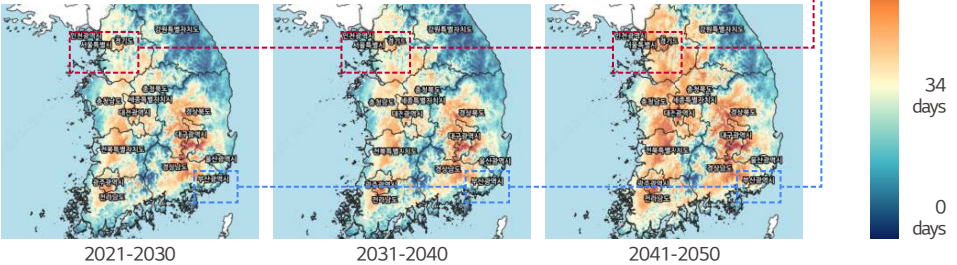
Such an increase in the number of heatwave days will lead to higher electricity consumption and PUE (Power Usage Effectiveness) due to the operation of cooling systems. Consequently, the expected financial impact is an increase in electricity costs of approximately KRW 3 billion under the SSP1-2.6 scenario and approximately KRW 4 billion under the SSP5-8.5 scenario by 2050, and it is anticipated that this impact will gradually ripple through the value chain.

To proactively address climate risks and maximize energy efficiency, LG CNS plans to implement measures such as improving power efficiency and adopting high-efficiency equipment, which are expected to incur an estimated KRW 20 billion in costs. We will strive to establish low-power, high-efficiency cooling systems that utilize liquids, which have a higher heat transfer efficiency than air, to ensure the operational stability of our data centers under future extreme climate conditions and reduce carbon emissions.

SSP1-2.6



SSP5-8.5



Climate Change

Physical Scenario (Chronic_Water Stress)

※ Scenario Types : WRI Aqueduct Water Risk Atlas 4.0(Water Stress, SSP1-2.6, SSP5-8.5)

LG CNS provides a wide range of IT services, including cloud services and data center operations, which inherently involve significant power consumption. To drastically reduce power consumption and improve energy efficiency, we are pursuing the adoption of next-generation “liquid cooling” technology, moving beyond conventional air cooling methods.

However, since the application of liquid cooling technology may increase the water withdrawal for cooling purposes, we conducted a water stress analysis to proactively assess the stability of the water resource supply.

The water stress analysis utilized the “Aqueduct Water Risk Atlas 4.0,” a global water risk map provided by the World Resources Institute (WRI). The water stress index was categorized into five levels (Low, Low-Medium, Medium-High, High, and Very High). To assess the mid- to long-term impacts of climate change, we applied the Low-Carbon Scenario (SSP1-2.6) and the High-Carbon Scenario (SSP5-8.5) from the IPCC’s Shared Socioeconomic Pathways (SSP) to evaluate risks as of 2050.

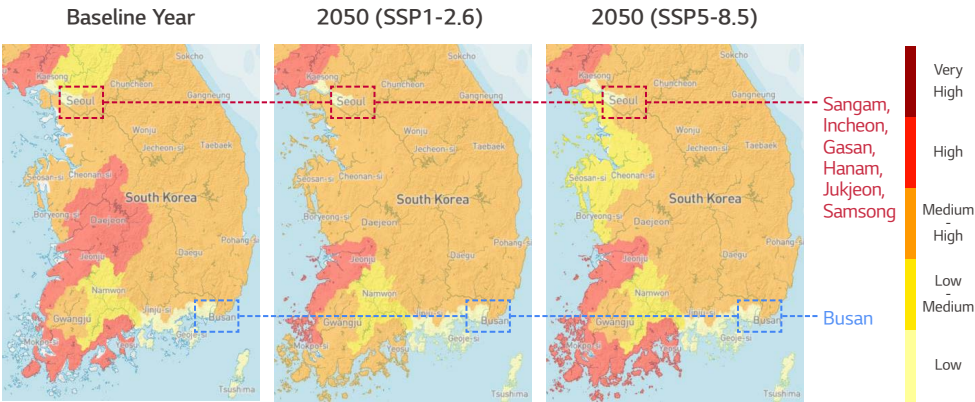
Through an analysis of all data centers currently operated by LG CNS, it was confirmed that no facilities are exposed to severe water stress in the medium to long term. While the water stress level for business sites in the Seoul Metropolitan Area in the baseline year corresponds to the “Medium-High” level, the 2050 forecast analysis indicates that the level is expected to remain at the current level without significant change under both the SSP1-2.6 and SSP5-8.5 scenarios. The Busan region, where the Busan

Global Cloud Data Center is located, also recorded the most favorable “Low” level in the baseline year, and the analysis shows that it will maintain a stable state without any worsening of water stress under both climate scenarios projected for 2050.

Although the analysis indicates that none of our business sites are expected to face high levels of water stress in the medium to long term, LG CNS plans to continuously monitor water withdrawal volumes and explore conservation measures to ensure the uninterrupted operational stability of our data centers and fulfill our obligation to protect water resources. As for detailed reduction measures, in the short term through 2030, we plan to improve our water usage efficiency through annual, seasonal, and hourly analyses. In the medium term from 2030 to 2040, we intend to implement measures such as expanding the use of recycled water and increasing the application of liquid cooling technology. In the long term, after 2040, we plan to establish and implement systematic risk management policies, such as analyzing regional water stress conditions caused by climate change and factoring these conditions into the selection of new data center sites.

Water Stress by Data Center

Data Center	Baseline Year (1979-2019)	Comparison Year (2050)	
		SSP1-2.6	SSP5-8.5
Sangam	Medium - High	Medium - High	Medium - High
Busan	Low	Low	Low
Incheon	Medium - High	Low - Medium	Medium - High
Gasan	Medium - High	Medium - High	Medium - High
Hanam	Medium - High	Medium - High	Medium - High
Jukjeon	Medium - High	Medium - High	Medium - High
Samsong	Low	Low	Low



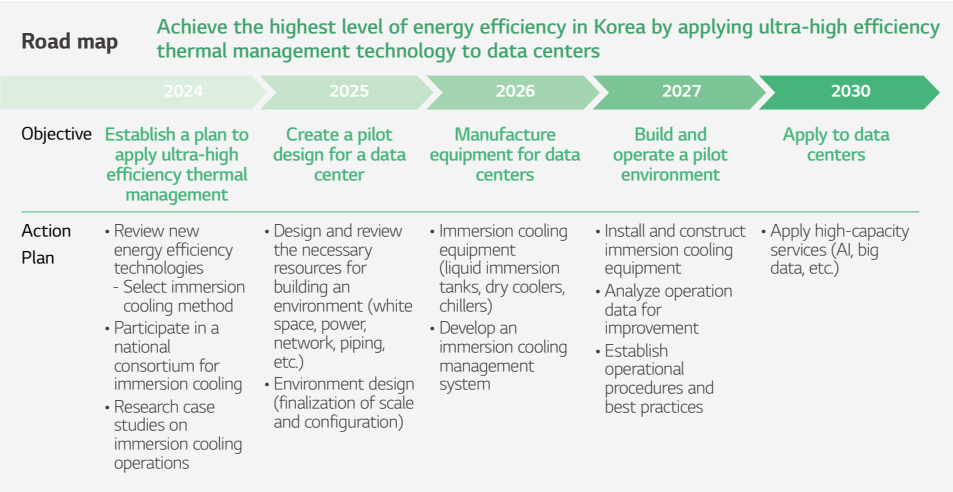
Climate Change

Activities & Achievements

Data Center Energy Usage Status

The global power consumption of data centers has been increasing steadily due to the growing demand for training and inference of large-scale AI models driven by advancements in AI technology, as well as the expansion of services that process and store vast amounts of data, such as cloud services, IoT devices, and streaming services. In response, LG CNS has established and systematically implemented energy efficiency tasks across all aspects of data center operations. Since 2025, LG CNS has been strengthening its monitoring and analysis of the entire energy usage process based on the ISO 50001 energy management system, and has been continuously identifying opportunities for facility operation optimization and cost reduction, enabling it to stably maintain and manage its energy savings. In addition, LG CNS recognizes that the air cooling method¹⁾ currently applied has technical limitations when it comes to addressing the heat generated by the increasing number of AI-dedicated servers and high-performance computing equipment, and has established a mid- to long-term roadmap to gradually introduce high-efficiency cooling technologies, such as immersion cooling²⁾. Through R&D and investment, we are advancing phased implementation tasks to maximize thermal management efficiency in data centers and proactively address future increases in IT workloads.

Ultra-High Efficiency Thermal Management for Data Centers



※ Due to delays in the development of immersion cooling equipment, the schedule for establishing the pilot environment has been pushed back by six months (second half of 2026 → first half of 2027)

1) Air cooling method : A method of cooling equipment such as servers using cold air, similar to air conditioners used in homes

2) Immersion cooling method : A method of cooling equipment by completely immersing facility equipment in a non-conductive, dielectric liquid, whereby heat is directly transferred to the liquid with high thermal conductivity, enabling high-efficiency cooling

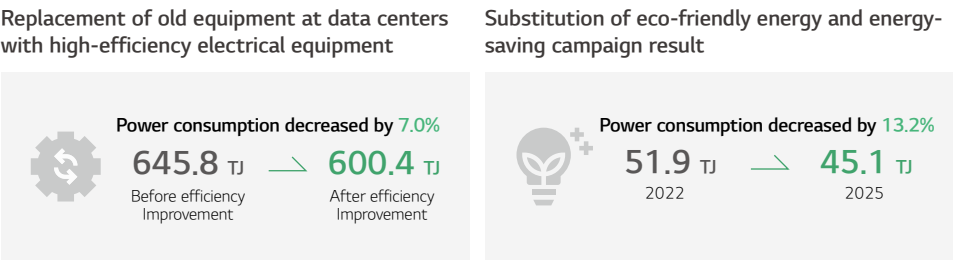
3) UPS : Uninterruptible Power Supply

Data Center Energy Efficiency

LG CNS continuously monitors its server room temperatures through an integrated management system (DCIM) which manages the infrastructure (electricity, temperature, humidity, lighting, security facilities, etc.) of the data centers in Busan, Sangam, and Gasan. In the event of an imbalance between zones, the system controls the cooling system and optimizes the air flow to efficiently manage energy usage in the server rooms. In addition, we are committed to reducing the GHG emissions generated during data center operations by installing energy-efficient equipment and LED lighting, as well as solar power generation facilities.

Data Center Energy Efficiency Task

Task	Activity	Implementation Period
Replace old equipment with high-efficiency equipment	Replace mechanical equipment (Heat & humidity controller)	2022 ~ 2023
	Replace electrical equipment (battery, UPS ³⁾)	2024 ~ 2025
	LED lighting	2024 ~ 2025
Use ecofriendly energy	Install additional solar power generation equipment	~2024
Energy saving campaign	Reduce energy usage for E/V and lighting, control air conditioning temperature, etc.	2023 ~ 2025
Use eco-friendly energy at the Hanam Center	Operate solar and geothermal power plants	2024 ~ 2025



Improvement of Data Center PUE

LG CNS is continuously improving the PUE of data centers by applying a “built-up outdoor air cooling system,” an eco-friendly system that uses natural outdoor air to cool the heat generated in the data center server room, an “intensive server cooling system” which cools only the necessary areas rather than the entire data center server room, and solar power facilities.

Climate Change

Activities Undertaken with the Government and Industry Associations

LG CNS supports the adoption and implementation of the Paris Agreement and national climate change response policies, and is driving a company-wide transition toward a “Sustainable Solution” business model while actively supporting domestic and international government agencies and companies in their efforts to reduce greenhouse gas emissions and improve energy efficiency.

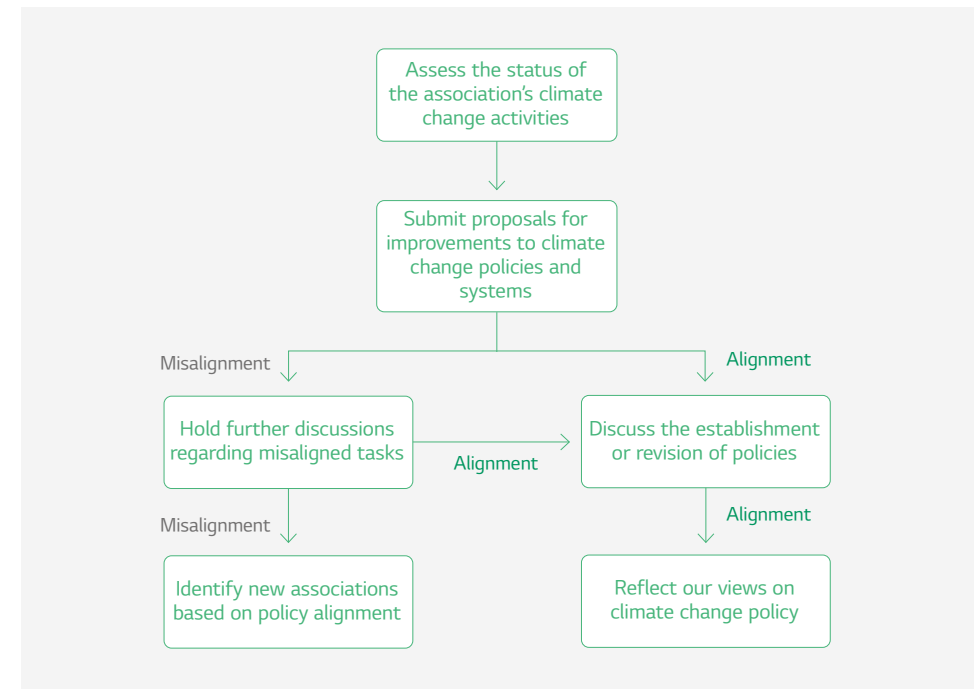
To this end, LG CNS considers whether our business direction aligns with LG’s climate change direction whenever engaging in external activities. Notably, when conducting policy research activities with the government and industry associations, we obtain approval from senior management (including the CEO) after consulting with the relevant organizations.

LG CNS participates in a range of infrastructure development projects, including smart city construction projects with local governments, such as those in Sejong and Busan. In Incheon, we are participating in a project to transform aging urban areas into an “AI and robot-based future city” by applying various smart city technologies, such as smart energy management, contributing to the creation of an eco-friendly city based on the advanced services offered by 4th Industrial Revolution technologies.

At the 2025 Future Promising Technologies Conference hosted by the Korea Institute of Science and Technology Information (KISTI), LG CNS delivered a presentation on “The Critical Responsibilities and Efforts of Data Centers Regarding Energy and the Environment,” and is making every effort to communicate with external stakeholders regarding our corporate social responsibility in the climate change response.

LG CNS is also collaborating closely with the associations to which it belongs, ensuring the direction of our climate change response is reflected in their activities. The Seoul Chamber of Commerce and Industry, of which our company is a member, hosts annual events such as the Seoul Climate-Energy Conference and the Korea Carbon Forum, which serve as platforms for communication among government and industry experts on climate change response. The Korea AI & SW Industry Association, on which we serve as a vice-chair, is implementing an “ESG Management Audit Program” to support small and medium-sized IT service companies that might otherwise have difficulty setting and achieving greenhouse gas reduction targets, thereby strengthening our efforts to ensure the entire industry participates in addressing climate change.

Industry Association Climate Policy Review Process



Energy Awareness Education

LG CNS conducts education programs to raise employee awareness of energy management and enhance the energy management capabilities of those in charge. In addition, we provide training to improve understanding of ISO 50001 (Energy Management System) and to systematically manage energy consumption across all business operations.

Resource Circulation

Strategy

Water Usage Reduction Target

LG CNS purchases recycled water from water recycling centers in Seoul, which is diluted with tap water and used for cleaning at the Magok headquarters building. To reduce our tap water usage, we plan to gradually increase our use of recycled water from its current level of 10%. To reduce the amount of water used to cool the data center, we plan to implement conservation measures such as replacing aging cooling towers and heat exchangers when they reach the end of their service life.

Waste Management Target

To comply with the Wastes Control Act, LG CNS systematically manages and tracks the waste generated at its Magok headquarters. Since 2023, 100% of the waste (discarded synthetic resins) generated at the Magok headquarters has been recycled into fuel pellets, and we are striving to maintain this “100% recycling rate” target we have established.

Activities & Achievements

Data Center Water Usage Management

LG CNS systematically manages the water usage of its data centers by comparing and analyzing year-over-year water usage on a monthly basis. This allows us to identify factors contributing to increases or decreases in usage and develop efficient management strategies based on these findings. In addition, LG CNS regularly cleans water tanks and tests the water quality in order to continuously monitor the hygiene and safety of the water supply. Despite the trend of rising average summer temperatures, LG CNS has maintained similar water usage levels year after year through ongoing energy conservation initiatives and operational efficiency improvements.

Data Center Water Usage

Category	Unit	2022	2023	2024	2025
Sangam	ton	14,774	17,914	16,609	15,272
Busan	ton	85,669	92,773	81,392	81,059
Gasan	ton	69,766	81,298	71,466	55,428
Total	ton	170,209	191,985	169,467	151,759

Resource Circulation Activity

LG CNS is participating in the “Bi:CYCLE” campaign, a project that recycles used hand towels, to promote a circular economy and reduce carbon emissions. For this campaign, a collaborative effort with Yuhan-Kimberly to promote resource circulation that began in 2024, we have set up a system to collect and recycle hand towels at our Magok headquarters. We expect that the active participation of our members will help us put ESG management into practice and raise awareness of the importance of addressing the climate crisis.

To comply with the Wastes Control Act, LG CNS systematically manages the waste generated at its business sites and tracks the volume of waste by type after contracting with a waste transport company. 100% of the waste transported from the headquarters is recycled, with none of it ending up in landfills. LG CNS also reports waste generation information to the Allbaro System, an IT-based total waste management system, to monitor the entire process of disposal, transport, and treatment.

The performance report by the contracted transport company confirms that all waste generated at the Magok headquarters in 2025 was recycled (100%). We have established improvement measures to further increase the recycling rate across our operations, and are implementing them continuously.

Used Hand Towel Recycling Performance

Category	Unit	2024	2025
Amount collected	kg	5,905	8,496
Actual amount recycled	kg	3,670	8,071
Reduced GHG ¹⁾	kgCO ₂ eq	3,682	9,121
Tree planting effect ²⁾	trees	405	1,002

1) Used carbon emission factors of Ecoinvent v3.8 & v3.9.1 and electricity emission factors of the National GHG Emissions Trading System
2) Refers to a paper published by the Korea Forest Service in 2019 (carbon absorption of 30-year-old pine trees in the central region : 9.1 kg CO₂eq/tree * year)

SOCIAL

40	Human Capital Management	63	Safety and Health
48	Human Rights Management	68	Social Contribution
56	Information Security and Personal Data Protection	71	Supply Chain Management
		74	Quality Management

Human Capital Management

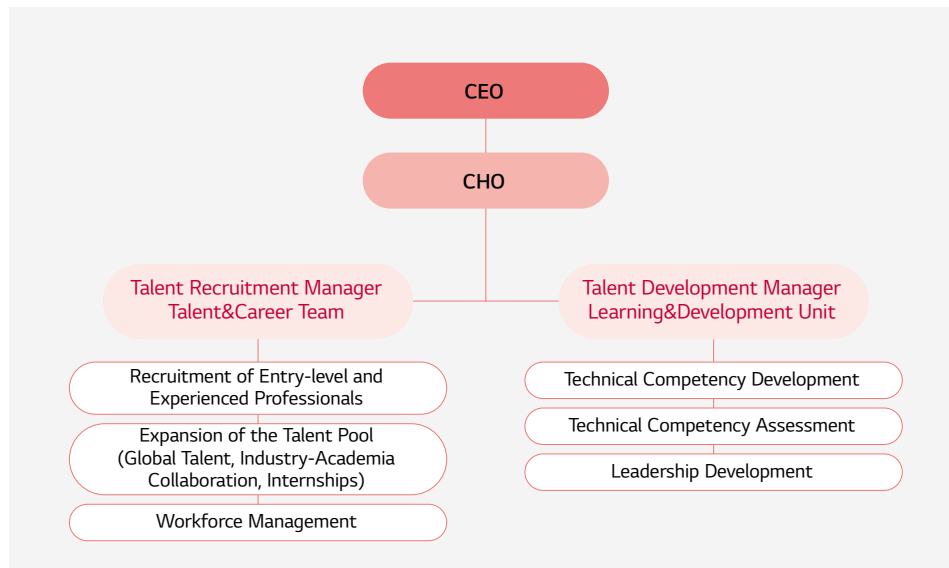
Governance

Recruitment Policy

To deliver greater value to our clients and achieve sustainable growth, LG CNS is recruiting DX (Digital Transformation) experts based on a concept of talent that includes the competencies, mindsets, and behaviors that LG CNS employees should possess, embodied in archetypes such as Insightful Expert, Game Changer, Empowered Achiever, Self-Motivated Learner, Synergy Builder, and Open-Minded Listener. In addition, we aim to strengthen our position as a leading AI service provider both domestically and internationally by recruiting and training AX (AI Transformation) experts equipped with AI capabilities.

LG CNS is promoting diversity and inclusion by implementing fair and transparent hiring practices and developing a sustainable talent ecosystem. Our recruitment process applies standardized procedures and evaluation criteria, focusing on competency-based assessments through organizational fit evaluations and interviews to evaluate domain and technical expertise. We are securing a diverse talent pool, and are strengthening our future talent pipeline by expanding global recruitment, industry-academia partnership, and recruitment-linked programs. We prevent conflicts of interest and misconduct during the recruitment process, ensure compliance with personal information protection, and continuously monitor key recruitment metrics to enhance recruitment governance.

Company-wide Talent Recruitment Management Organization



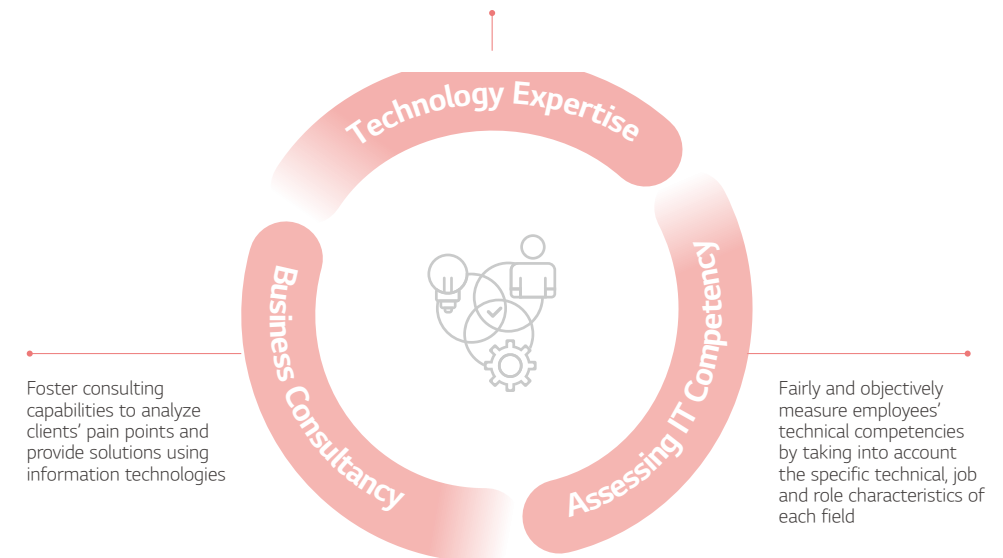
Talent Development Policy

LG CNS is fostering the technical and business consultancy expertise of our employees so that they can be recognized as leading experts in their fields and take pride in their work. LG CNS is also committed to cultivating the top-notch talent that can lead AX beyond DX.

To promote an internal culture that has technical competence at its core, we are enhancing our employees' skills by providing personalized learning experiences, shifting away from one size-fits-all training, and striving to instill a culture of learning in individuals and organizational units. In addition, all employees take a "TCT (Technology Certification Test)" to fairly and objectively measure their technical competency, which provides the direction and motivation for individual competency development.

Talent Development Policy

Provide support for on-site technical training to instill a culture of learning among all employees, from newcomers to technical experts



Human Capital Management

LG CNS Concept of Talent

The LG CNS concept of talent refers to the core competencies, mindset, and behaviors expected of our employees to achieve the company's mission, vision, and strategy. To define the concept of talent, LG CNS sought the input of a diverse group of employees, including leaders, through various channels. Based on this input, LG CNS derived six core values unique to the company, and six talent archetypes that fulfilled these values. Using these, we defined recruitment criteria for each organization and incorporated them into the interview process to select outstanding talent.



Strategies

Strategy and Goals of Talent Development

All LG CNS employees have access to training that is appropriate for their job functions and levels, regardless of their employment status or working hours. We aim to strengthen the technical capabilities of our employees by offering personalized training that is tailored to their specific roles and responsibilities. Specifically, to build expertise in DX technologies, we have established a training system that covers emerging IT fields such as AI, data, cloud, agile, and AM¹⁾, and operate a variety of training courses to develop experts in these fields. In addition, we host "Insight+ Tech Seminars" to help all employees to quickly understand the latest technological trends, aiming to mitigate negative impacts that may arise during industrial transformation, such as labor substitution due to automation and a decline in technological competitiveness, in response to the rapidly changing trends in AI and emerging technologies.

In 2026, to strengthen the core competencies of One CNS members, we aim to secure AX leadership by cultivating a pool of AX expert candidates, and will deepen their capabilities in utilizing the GDN (Global Delivery Network)²⁾ and AIND (AI Native Development)³⁾ to improve productivity. To enhance synergies between the headquarters and overseas subsidiaries under the One CNS framework, we are establishing a global development system that supports the capacity-building efforts of global employees and helps them adopt new ways of working. We also support employees at our headquarters in collaborating with their global colleagues to foster a culture based on mutual understanding and respect. In addition, we are developing an integrated leadership system that links leadership not just to individual performance but to organizational execution and outcomes, with the goal of enhancing leaders' ability to fulfill their roles and capacity for change leadership. In addition, we offer onboarding, career, and role-based programs that design growth paths tailored to each career stage and role throughout an employee's entire career cycle, from onboarding to professional development. We also provide programs such as hands-on project support to help employees enhance their practical business and project skills in on-site environments.

We plan to implement the Technical Competency Committee Evaluation⁴⁾ to ensure that employees' technical competencies are appropriately assessed based on the nature of their roles, and will enhance the accuracy of these evaluations by diversifying our certification methods. We aim to strengthen the technical competencies of employees not only at our domestic headquarters but also at our Vietnam Build Center⁵⁾ and Indonesia Build Center, with the goal of developing them into overseas business partners that can grow alongside our headquarters.

1) AM(Application Modernization): A technology of breaking down complex programs into smaller units, and integrating and reconfiguring them to increase business agility

2) GDN(Global Delivery Network): A global collaborations framework with overseas developers specialized in specific business areas, transcending limitations of time and space

3) AIND(AI Native Development): A development approach that applies AI technology across the entire process of analysis, design, development, and testing, to optimize implementation processes and completely transform project implementation by leveraging various AI agents

4) Committee Evaluation: A method in which a committee of technical experts is used to assess real-world performance and job-related competencies that go beyond basic knowledge

5) Build Center: A specialized implementation organization established by LG CNS; the Vietnam Build Center was established in 2023, and the Indonesia Build Center was established in 2024.

Human Capital Management

Expert Training System

LG CNS strives to build an organization of technical experts, and is continuously expanding its AX technology training activities. Through the technology and job-specific classification system, we provide training according to each employee's skills and level. Top technical experts both within and outside the company share their practical knowledge of LG CNS's core competencies with the employees. Since 2023, we have introduced and utilized an online training platform to enable all employees to access diverse training content. We also provide on-site training at project locations for employees who find it difficult to attend training at headquarters, enabling them to learn on-site. In addition, we have offered online and in-person training to enhance the capacities of subsidiaries, suppliers, and GDN employees within LG CNS' collaborative ecosystem. Additionally, we have implemented collaborative training programs between the headquarters and the GDN to promote practical collaboration and reduce the time required to kick off GDN projects.

LG CNS Training Framework

Category	New Digital Technologies	AI	Data	Cloud	Other new technologies
	Job-specific	Software Engineer		AI	
		Application Architecture	Data Architecture	Infra Architecture	Enterprise Solution
		Security	Convergence Engineering	Quality Engineering	User Experience
	General Management	New/ Experienced Employee	Leadership/ Organizational Development	PM/BD Competency	Global Competency

Objectives-Based Performance Evaluation

LG CNS operates a fair and transparent performance management system that takes a truly performance-oriented approach, linking individual performance closely to organizational objectives to support the mutual growth of employees and the organization. To respond to changes in business strategy and strengthen core competencies, we introduced and implemented a competency assessment system in 2018. Performance evaluations are conducted through a systematic and consistent process spanning from objective setting at the beginning of the year to ongoing feedback throughout the year and semi-annual evaluations. Leaders and employees provide ongoing feedback on objectives and performance, giving employees the chance to discuss their growth and achievements, and creating opportunities for the organization and its members to grow together.

① Objective Setting

At the beginning of each year, team leaders establish organizational objectives and share them with team members. Team members then set individual objectives that align with these organizational objectives and confirm them with their team leaders. These objectives are managed flexibly to respond to changes in the business environment and challenges throughout the year, ensuring that the achievement of organizational and individual objectives remains consistently aligned. Objective setting, performance management, and feedback are conducted through the company's proprietary system, allowing employees to track their progress and review leader feedback in real time to effectively manage their performance.

② Ongoing Performance Management

LG CNS uses an ongoing performance management system that continuously monitors progress through regular communication between leaders and employees. Employees can use the on-demand feedback feature to get multi-dimensional feedback both from their team leaders and the colleagues they collaborate with, and can receive the support they need based on their progress toward each objective. This fosters ongoing discussions about performance and growth, helping to establish a performance management culture that is built on respect and trust.

③ Comprehensive Evaluation and Compensation Alignment

We determine an annual comprehensive evaluation grade by combining the results of the first- and second-half performance evaluations and competency assessments. Performance evaluations assess day-to-day work achievements, and the results are compiled twice a year (first and second half). Leaders evaluate employees primarily on their achievement of individual semi-annual work objectives, including financial performance and strategic initiatives. Competency evaluation results are derived once a year through a comprehensive assessment of job-specific technical skills, an understanding of the industry, and client value leadership (communication, problem-solving, collaboration, and synergy). Through this process, we systematically manage employees' expertise and industry competencies, enhancing the fairness and rationality of evaluations and ensuring that employees' performance and contributions are rewarded fairly.

Human Capital Management

Variable Compensation System

In addition to performance-based rewards, LG CNS applies a variable compensation system for 100% of our employees, including both regular and contract staff, to motivate them to generate results.

① Performance Incentive (PI)

LG CNS provides employees with a performance incentive (PI) twice a year based on their performance evaluations from the first and second halves of the year.

② Key Talent Incentive

LG CNS selects "key talent" to systematically nurture outstanding individuals with core competencies and high growth potential, applying a separate compensation system for them. The selected key talent receive a variable compensation package based on their capabilities and contributions from both business and technical perspectives, establishing a competitive compensation system. This program represents LG CNS's differentiated compensation strategy for realizing talent-centric management.

Activities & Achievements

Recruitment of Outstanding AX Specialists

LG CNS operates an optimized recruitment process to secure the elite experts capable of leading AX beyond DX. We are recruiting talent in diverse fields including AI, big data, cloud, architecture, smart logistics, smart factories, and ERP, and evaluating applicants' IT capabilities through a multifaceted approach. Successful candidates are provided with IT career training and job-specific training opportunities.

LG CNS operates an internship program to select talented individuals with potential. Applicants are recruited in separate streams from bachelor's and master's/doctoral degree programs, with applicants from master's or doctoral degree programs able to choose the timing of their internship. During the internship, participants work with mentors to complete assigned tasks, presenting their final project during the last week of the program. Successful interns may join the company as entry-level employees upon graduation.

Industry-Academia Partnership Program

LG CNS operates partnership programs with Korea's leading universities, including Seoul National University, Yonsei University, Korea University, and Chungang University. We offer recruitment-linked internships to nurture and secure talented IT professionals, and specialized courses in specific areas such as AI, big data, consulting and security. In addition to educational courses, we also conduct collaborative activities with universities in fields such as technology development, software competitions, and textbook publication.

LG CNS is planning to launch additional industry-academia partnership programs, and intends to continue securing talent specialized in AX every year. The selected students are provided with full tuition coverage and a modest amount of financial support. They are also guaranteed employment at LG CNS upon completing their master's degree.

Signing Ceremony with KAIST



MOU with Seoul National University



Universities Partnering in Industry-Academia Partnership Program

Year	University	Description
2025	KAIST	Established a new master's program in industrial engineering: "AX Talent Development Track"
2024	Seoul National University	Established a new master's program in industrial engineering: "Talent Development Track"
	Yonsei University	Established a new department: "Intelligent Data and Optimization"
2023	Korea University	Established a new department: "Department of AI Data Science"

Human Capital Management

AX Expert Development

LG CNS has defined the profiles of AX experts for each business area in order to cultivate the professionals who will lead and execute the AX business. By identifying the roles, responsibilities, and competencies required of each AX expert, we have established a training framework and provide mandatory and elective training to help all employees develop the skills needed to apply AX. In addition, we have implemented internal certification standards that include mandatory training courses tailored to AX experts and project-based experience to cultivate AX experts. Through these efforts, we aim to mitigate the negative impacts of the changes brought about by new technologies.

Support for Acquiring Technical Certifications

LG CNS operates a certification support program to strengthen technical capabilities enterprise-wide and secure global IT expertise. Through this program, all employees are eligible for certification support, regardless of their employment status or working hours. This enables them to obtain certifications from leading global companies and grow to become elite experts. Employees at LG CNS have obtained certifications that acknowledge their advanced technical proficiency from three leading global cloud service providers (CSPs) : Google Cloud, AWS, and Microsoft. We are solidifying our technology-centric organizational culture by covering all related expenses, including certification exam fees and bonuses for passing exams, to enhance our employees' expertise.

Employee Networking-Based Competency Development Program

LG CNS operates "AX Learning Crew," a team-based and networking-focused competency development program that aims to foster collaboration and promote knowledge sharing among employees. The program pairs employees as mentors and mentees to form a single crew. The mentors are primarily AX experts who participate voluntarily and support the mentees in enhancing their practical skills through theoretical instruction, hands-on training, and feedback. This process fosters natural networking through crew-level collaboration and continuous interaction among members. Key AI technologies, such as AI Agents, MCP (Model Context Protocol), and RAG (Retrieval-Augmented Generation), are disseminated effectively to the front lines, facilitating knowledge sharing and the spread of best practices throughout the organization. This helps build a collaborative learning culture and voluntary networks among employees, raising the overall level of AX capabilities across the organization.

Educational Programs in Partnership with Educational Institutions

To enhance the capabilities of our employees, LG CNS systematically operates training programs focused on new technologies in collaboration with specialized domestic and international educational institutions. Through a partnership with Microsoft, we have established a work innovation environment utilizing Copilot and integrated AI agent development training to support our employees in their efforts to acquire AX capabilities. In addition, through collaboration with AWS, we operate Gen AI-based technical training alongside a program focused on developing practical business use cases, enabling us to cultivate specialized talents capable of leading Gen AI business initiatives and implementation. By providing hands-on training through partnerships with specialized institutions, we are promoting the continuous development of our employees' capabilities and strengthening the organization's competitiveness.

My Career Up, a Self-Directed Career Development Program

LG CNS helps its employees to experience various jobs and develop their careers independently through the "My Career Up" program, a self-directed career development program that enables employees to find and apply for the job and the team they want. Applicants check job openings on the internal My Career Up bulletin board and apply to their desired department. After receiving final acceptance, they are transferred to the department within two months. This creates a virtuous cycle in which employees take the initiative to develop their competence and careers, while the organization evolves into one that its employees wish to work for. Since 2021, more than 900 employees have passed the selection process and transferred to their preferred teams. LG CNS continuously supports its employees in their efforts to develop their careers.

Career Design : A Time to Reflect on Your Career

LG CNS offers a Career Design program to help employees continuously reflect on and develop their careers. To assist employees in designing their careers at a technology-driven company, we offer career development coaching sessions led by in-house experts. We also provide special lectures on financial planning to address employees' personal concerns. Through these initiatives, we aim to provide an experience in which careers are developed not only in the workplace but also in the broader context of an individual's life. Since 2016, over 2,000 employees have completed the Career Design program across more than 100 sessions. In 2026, we launched a separate career development program for employees promoted to professional roles to help them design specific plans for both organizational and personal growth.

Human Capital Management

Establishing a Global Competency Development Framework

LG CNS operates in overseas markets, including the United States, Vietnam, and Indonesia. To keep pace with the rapid expansion of our global business, we are systematically strengthening the capabilities of our overseas subsidiaries and GDN members. To this end, we are enhancing our global competency development system to promote the sustainable development of talent within our overseas subsidiaries, offering more than just one-time training support.

As the missions and business scopes of overseas subsidiaries expand rapidly, LG CNS is rolling out onboarding and leadership training programs to ensure that employees and GDN members can acquire LG CNS's core competencies. We are also establishing customized, specialized training programs for subsidiaries that urgently need capacity building in order to promptly respond to on-site requirements. Furthermore, we are completing our global self-development system by designating L&D managers for each subsidiary and forming a headquarters-subsidiary training consultative body. By doing this, we are moving away from one-way training support led by headquarters to establish a foundation where overseas subsidiaries can internalize capacity building and grow independently.

LG CNS will continue to advance our global competency development system so that employees at overseas subsidiaries can demonstrate their capabilities based on a sense of belonging as members of LG CNS, further strengthening our global business competitiveness.

Overseas Subsidiary Development Program



Overseas Employee Technical Training

LG CNS provides technical training to the employees of overseas subsidiaries and developers based on our global collaboration network, GDN. To strengthen the technical capabilities of the Vietnam Build Center, established in 2023, we developed a customized training system tailored to specific job roles, including software and solutions development, cloud computing, and architecture. Through the curriculum developed directly by the technical experts at our headquarters, we are solidifying technical collaboration between headquarters and local employees. Going forward, we plan to train local employees as in-house training experts, which will enable the Build Center to deliver training independently.

Organizational Competency Building

LG CNS operates organizational development programs at the level of departments and teams, the core units where strategies and goals translate into action. These programs strengthen the organization's execution capabilities, enhance employee engagement, and promote a culture of collaboration.

The organizational development program is categorized according to the organization's current status and needs. It consists of three components: "Alignment," which shares new visions and missions and aligns employee understanding and execution; "Problem Solving & Stabilization," which resolves key issues that arise during execution and stabilizes organizational operations; and "Engagement & Cohesion," which strengthens employee engagement and team cohesion. Each program is designed as a customized module based on surveys and in-depth interviews with leaders and employees, and we continuously monitor the progress of organizational change from a long-term perspective.

Organizational Competency Development Program



Human Capital Management

Leadership Competency Development

LG CNS offers a variety of programs designed to help employees continuously develop their leadership skills. We conduct regular leadership surveys based on LG CNS's unique leadership model on a global scale, encompassing both the headquarters and overseas subsidiaries, to assess leadership competencies at both the organizational and individual levels. The survey results are analyzed using data to develop customized leadership development strategies that have been tailored to the characteristics of each organization and the growth stages of individuals, supporting the effective exercise of leadership in the workplace.

Key among our efforts to reinforce leadership is the company-wide "Leadership Forum," where CEO, executives, and team leaders gather to share the company's direction for change and mid-to-long-term strategies, fostering consensus among leaders and strengthening their ability to execute.

In addition, we operate various "coaching leadership programs," such as one-on-one coaching and team coaching, to support not only the personal growth of individual leaders but also team-level collaboration and performance generation. We also have a "leader care program" designed to enhance leaders' psychological well-being and resilience.

We work proactively to identify and develop the next generation of leaders by systematically cultivating a pool of leadership candidates, an effort which is solidifying our leadership pipeline, and is leading the organization's sustainable growth and competitive advantage.

Leadership Competency Development Program



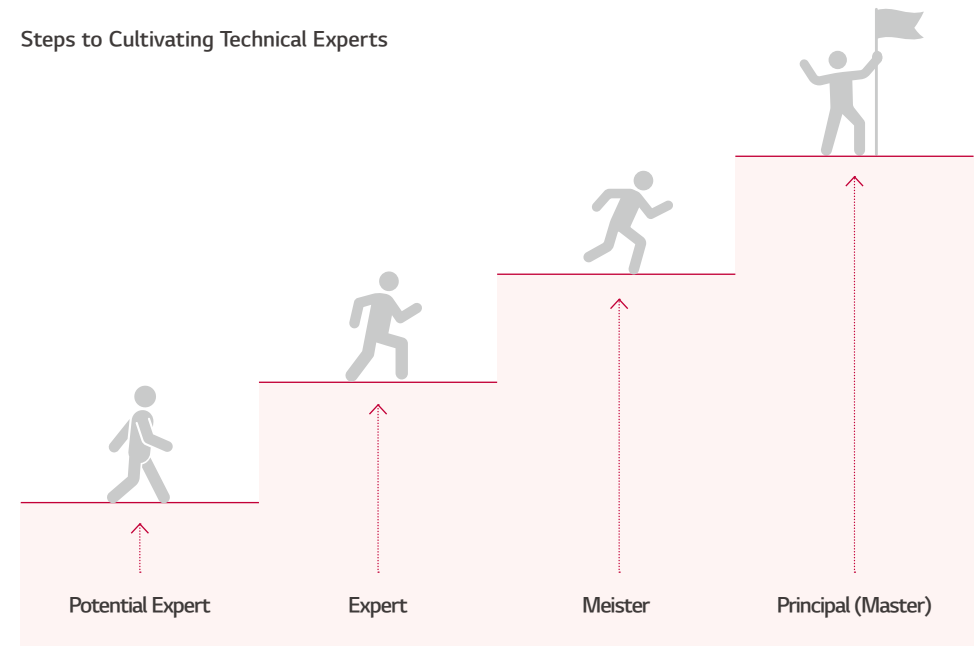
Company-wide Leadership Forum



Technical Competency Evaluation System

LG CNS uses systematic talent development and evaluation programs to support our employees' continuous growth and enhance their technical expertise. Since 2016, we have used our proprietary technical competency certification system, TCT, to objectively assess employees' technical capabilities. We refine this evaluation framework annually to reflect changes in the technological landscape and our business strategy. Starting in 2024, we moved beyond the existing TCT-centered evaluation method and established the Technical Competency Committee evaluation system, in which technical experts conduct a multifaceted assessment of the technical competencies employees demonstrate in actual work environments. This system more precisely reflects practical job performance and technical expertise. We also conduct in-depth evaluations of high-potential technical personnel to identify experts at different levels, which we classify as Potential Expert, Expert, and Meister. We provide these technical experts with differentiated growth opportunities and rewards while continuously strengthening the organization's overall technical competitiveness.

Steps to Cultivating Technical Experts



Human Capital Management

Retirement Transition Program

LG CNS offers a retirement pension plan to support our employees in securing a stable life after retirement and planning for their lives effectively. By providing retirement benefits that meet legal standards upon retirement, we ensure the financial security of our employees in their later years. In addition, we offer systematic career development and competency-building programs to employees nearing retirement while they are still employed, providing comprehensive support to help them maintain their competitiveness in the job market and ensure a smooth transition after retirement.

Winning the Grand Prize at the Korea HRD Awards

LG CNS demonstrated its exceptional ability to cultivate elite DX experts by winning the Grand Prize at the 2025 Korea Human Resource Development Awards. Responding to the rapidly changing technological landscape, we have established a culture of self-directed learning focused on key areas such as AI and cloud computing. Through an advanced training system that is linked to practical skills, we translate our employees' expertise into value for our clients. This proactive investment in human capital is the driving force behind LG CNS's vision of "realizing social value through technology." As we move forward, we will continue to reinforce a virtuous cycle in which our employees' growth directly leads to the company's sustainable growth, thereby strengthening our HRD governance to global standards.



Human Rights Management

Governance

LG CNS Human Rights Policy



Respect for Human Rights

We respect all workers as human beings and ensure that no harsh or inhumane treatment, including sexual harassment or abuse, corporal punishment, mental or physical coercion, verbal abuse, or unreasonable restrictions in the workplace, is tolerated.



Non-Discrimination

In operating personnel systems such as hiring, promotion, compensation, and training opportunities for executives and employees, and in providing products and services, we will not discriminate on the basis of nationality, race, age, gender, sexual orientation, disability, pregnancy, religion, membership in a political group, membership in a labor union, or marital status. In addition, we continuously monitor the gender pay gap to ensure equal pay for men and women.



Prohibition of Forced Labor

We do not force individuals to work against their will by unduly restricting their mental or physical freedom through violence, threats, confinement, or other means. All work must be voluntary, and we will not require workers to surrender government-issued identification, passports, or work permits as a condition of employment.



Prohibition of Child Labor

We do not employ child workers for any position and prohibit child labor under any circumstances. "Child" refers to anyone under a certain minimum age, which is determined by the laws and regulations of each country and region. When employing children over the legal minimum employment age, we comply with the legal working hours and do not assign them to jobs that are hazardous or dangerous to health, safety, morals, or health.



Compliance with Working Hours

We comply with the regulations regarding regular and overtime work hours and annual paid leaves specified in the laws and regulations of each country and region. We also ensure that employees receive fair compensation for overtime work. The fixed annual salary includes a base salary and a fixed overtime allowance for 40 hours of overtime per month; for any overtime worked beyond this, additional pay is provided in accordance with legal standards based on the actual hours worked.



Living Wages and Welfare

Compensation provided to all workers complies with all applicable national and regional labor laws, including minimum wages, overtime, and statutory welfare benefits. In addition, to ensure a stable quality of life for our employees, we continuously review the living wage (fair wage) level and maintain compensation levels that exceed the industry average in the information and communications sector.



Freedom of Association

We recognize the freedom and right of association guaranteed by the labor-related laws of each country and region. We create an environment where workers can communicate with management about working conditions without fear of discrimination, retaliation, intimidation, or harassment.



Protection of Personal Data

We strictly protect the personal data of our stakeholders and will not disclose or use such information for any other purpose without their prior consent. Furthermore, we will provide truthful information, refrain from providing false information or facts, and always keep our promises.



Safety and Health

We foster a safe and hygienic work environment for all employees, including executives and employees of partner companies. We establish a safety and health management system to prevent accidents and comply with safety and health-related laws.



Job Security

In cases where employment is significantly affected, such as layoffs for business reasons, we provide at least 30 days' advance notice or take equivalent measures in accordance with Articles 26 and 24 of the Labor Standards Act. To ensure procedural fairness, we make every effort to avoid layoffs, select affected employees based on reasonable and fair criteria, and consult sincerely with employee representatives.

Human Rights Management

System for Diversity & Inclusion

LG CNS respects the diverse differences among our employees, including differences in age, gender, nationality, race, religion, and physical or mental disability status, and does not tolerate any discrimination based on personal characteristics or values, such as marital status, pregnancy, or social class.

To support maternal protection and work-life balance, we actively ensure that employees can utilize all benefits to which they are legally entitled, such as pre- and post-natal leave, paternity leave, and parental leave. In addition, we are strengthening our commitment to inclusivity by expanding employment opportunities for people with disabilities through Haengbokmaru, an LG CNS subsidiary. To respect diversity across generations, we operate “People Care,” a care program tailored to each stage of life, providing a unique experience for all employees. LG CNS continuously manages the proportion of female employees to enhance gender diversity within the company, and is working toward a balanced workforce with the goal of achieving a 25% female employee ratio by 2026.

In terms of the work environment, we are continuously working to prevent unfair practices in client service and improve working conditions so that our employees can work in a stable and comfortable environment. Additionally, to foster a flexible work environment, we have implemented a self-responsibility work system that allows employees to work from home either fully or in a flexible manner, and we have gradually expanded our smart offices to establish a more autonomous work culture.

In addition to internal welfare programs, LG CNS helps our employees enhance their sense of belonging and pride through social contributions. As an AX specialist, we operate unique programs that leverage our IT capabilities to give back to the local community, including our “Digital Coding Camp,” and continue to carry out a wide range of People Care activities.

Key Directions of People Care in 2026

- 1 Diversify site care programs for employees on project sites
- 2 Facilitate diverse communication to encourage voluntary employee participation in organizational culture
- 3 Foster a One CNS organizational culture that transcends the distinctions between partner companies, subsidiaries, and global operations
- 4 Promote work-life balance for employees through People Care activities that embrace family diversity
- 5 Operate a diversity program and address employee concerns

Strategies

Human Rights Management Strategy

LG CNS aims to actively accept the opinions of our employees and transform those opinions into positive results. To this end, we have expanded the People Care program under the keyword “Project site-oriented LG CNS.” We are continuously implementing on-site visiting programs not only for the employees at headquarters but also for those working at project sites. We are striving to improve the working environment by conducting regular on-site inspections to ensure that employees working at project sites can work in a safer and more comfortable environment.

In 2026, we aim to further diversify our support by adding “One CNS” and “family-friendly” as new key themes in addition to “on-site care.” We will establish new care (welfare) programs in which all members can participate, regardless of their organization or role, and operate family programs that reflect diverse family types, expanding the meaning of the workplace and enriching the daily lives of our employees. In addition, we plan to further enhance and diversify our programs focused on our project sites to proactively provide the support that is needed at each work site, regardless of location, further increasing the satisfaction of all employees.

Management of Work Environment

Based on human rights policy, LG CNS respects all workers, including not only our own employees but also dispatched workers and those at partner companies, as human beings, and strives to ensure that they can work in a positive work environment.

Category	Description
Wages and Welfare	To ensure a stable quality of wellbeing for our employees, we continuously review the living wage (fair wage) level and maintain compensation that exceeds the industry average for the information and communications sector.
Compliance with Working Hours	We define the maximum weekly working hours as 52 hours, as stipulated by the Labor Standards Act, and conduct ongoing monitoring to ensure that no employee exceeds this limit. For any unavoidable overtime, night shift, or holiday work, we pay additional compensation in accordance with legal standards or provide compensatory time off of equivalent value.
Non-Discrimination	We respect the right of all employees to be free from discrimination on the basis of gender, nationality, religion, or social status. We operate fair human resources and compensation systems. We monitor unintentional wage gaps that may arise due to specific job positions or the concentration of duties, and we disclose the relevant status in our annual report and sustainability report. To enhance gender inclusivity, we operate programs such as maternity protection, paternity leave, and gender-neutral parental leave.
Job Security	LG CNS is committed to workforce management that supports sustainable growth, considering job security a key principle. Accordingly, we support our employees in building long-term careers through training and capacity-building initiatives. Furthermore, even when workforce adjustments are unavoidable for business reasons, we conduct them in compliance with relevant laws and regulations and after sufficient consultation with employee representatives. To date, there have been no instances of large-scale restructuring or mass layoffs.

Human Rights Management

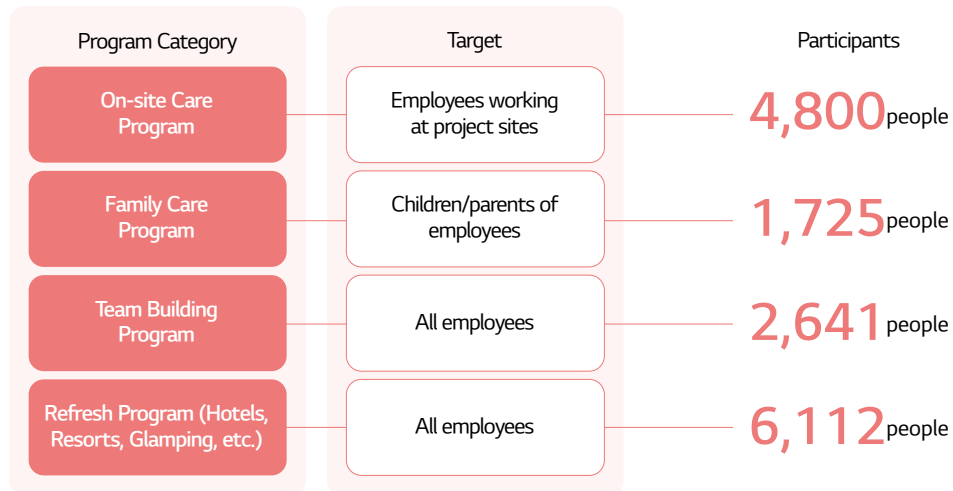
Activities & Achievements

People Care Program (Employee Support Programs)

LG CNS respects the diversity of work locations and provides employees with positive experiences through field-centered People Care programs that meet the needs of each site. We have developed outreach programs that are not restricted based on location, and promote communication and unity among all employees through programs organized by project and business division.

The People Care program is organized around four themes : on-site care, family care, team building, and refresh, and consists of a total of 40 programs. All programs are designed to foster positive experiences among employees while contributing to organizational and work engagement, thereby increasing satisfaction and improving work efficiency. By gathering feedback from program participants, we are able to upgrade the program every year and enhance the program quality. We also reflect the requests of employees submitted via email and the Labor-Management Committee to provide programs that fulfill practical needs.

People Care Program Participation Status¹⁾



1) Participation period: From January 2025 to March 2026

Sexual Harassment and Workplace Bullying Prevention Training

LG CNS runs various campaigns and training programs to prevent sexual harassment and workplace bullying, with the aim of respecting the diversity of our employees and fostering a healthy organizational culture for everyone. We continuously raise awareness among our employees of these issues through announcements on our in-house bulletin board and training sessions. In addition, our systematic reporting and resolution system ensures employees can report incidents without concern about retaliation and have them resolved promptly.

Support for Employees with Disabilities

In 2016, LG CNS established Haengbokmaru Co., Ltd., a subsidiary standard workplace designed to create jobs for people with disabilities and enhance employee welfare. Haengbokmaru provides a range of services, including in-house cafes, cleaning services for employee office areas, and massage services by the visually impaired at the Magok LG Science Park headquarters, Sangam DDMC, and Sangam IT Center. As of 2025, 97 out of its 111 employees are people with disabilities, 92 of whom have severe disabilities. Twelve managers (two of whom have disabilities) provide guidance on work tasks and support career development, while professional counselors offer emotional and psychological counseling.

In addition, we provide convenience facilities, exclusive lounges, and group insurance for employees with disabilities. Haengbokmaru also has signed a business agreement with the Korea Disabilities Art Association to increase cultural and artistic opportunities for people with disabilities, hosting four annual exhibitions of works by artists with disabilities, and participates in social contribution activities in collaboration with the Korea Employment Agency for Persons with Disabilities. As a result, Haengbokmaru was recognized for its efforts to promote employment and improve working conditions, receiving commendations from the Minister of Employment and Labor at the Competition to Promote Employment for People with Disabilities in 2018 and 2022, and was selected as an outstanding employer for employees with disabilities in 2024, following its initial selection in 2021. Moreover, in 2024, Haengbokmaru was selected as an "outstanding workplace with no discrimination" by the Ministry of Employment and Labor and the Korea Labor and Employment Service, receiving a Commendation from the Minister of Employment and Labor. In 2025, it also received the commendation of "Comfortable Workplace of the Year" from the Korea Employment Agency for Persons with Disabilities.

Awards Won by Haengbokmaru



Awards Won by Haengbokmaru



Human Rights Management

Female Leaders Forum

LG CNS continues to host the Female Leaders Forum to support the career development and networking of female leaders, as well as to strengthen their leadership competencies. Building on the expanded opportunities for communication between senior and junior members that were established through various initiatives in 2024 that included special lectures by external female CEOs, group discussions, and meetings with the CEO, we further solidified the network of female leaders in 2025. In keeping with the trend of increasing the number of female managers within the organization, we continue to operate the program with a focus on supporting the practical exercise of leadership and generating results. Through this program, we are promoting the continuous growth of female leaders and enhancing diversity within the organization.

Female Leaders Forum



Selected as a Company with an Excellent Labor-Management Culture

LG CNS has been selected by the Ministry of Employment and Labor as a “Company with an Excellent Labor-Management Culture” for 2025, in recognition of our exemplary labor-management culture based on mutual respect and communication. LG CNS continues to engage in practical, win-win labor-management activities, such as on-site communication with employees by the CEO and management, regular labor-management committee meetings, and improvements to employee welfare and HR systems. LG CNS received praise for creating a flexible work environment enabled by a self-responsibility work system. In addition, LG CNS operates a “People Care” program that considers the life cycles of our employees and provides support for them and their families. This official recognition acknowledges LG CNS’s sound labor-management relations, communication-centered organizational culture, and flexible work environment, and we plan to continue strengthening our labor-management culture of mutual growth and cooperation.

Preventing Abuse by Clients and Handling Employee Grievances

LG CNS strives to protect our employees from abuse by clients by visiting workplaces and listening to employees’ concerns. In addition, we conduct employee surveys and produce videos promoting the elimination of abuse, and distribute them to clients to help employees focus on their work without stress.

LG CNS is committed to addressing employee grievances reasonably to ensure human rights protection, enhance workplace satisfaction, and foster a healthy work environment. To this end, we have established various channels for handling grievances to ensure that human rights-related concerns raised by employees and stakeholders are addressed promptly and fairly. The internal grievance handling board accepts and addresses various complaints, including those related to workplace bullying, sexual harassment, and client abuse of power. The board also provides psychological counseling services for personal concerns. In 2025, the internal board received a total of five complaints, and investigations were initiated immediately. In cases where the complaints were confirmed through the investigation process as valid, warnings and disciplinary measures were imposed in accordance with the relevant regulations. The grievance handling program operates year-round, allowing employees to file reports at any time through the internal grievance handling board.

LG CNS applies a “zero-tolerance policy” toward discrimination and harassment, and when incidents occur, we verify the facts through a prompt and fair investigation process. If an investigation confirms discrimination, harassment, or sexual harassment, we strictly enforce disciplinary measures, as stipulated in the employment rules, such as warnings, salary reductions, suspensions, or termination, based on the severity of the act and the gravity of the matter. When necessary, corrective measures and training are provided to prevent recurrence at the organizational level. In this way, LG CNS protects the human rights of our employees and works continuously to foster a safe and respectful work environment.

Human Rights Violation Redress Process

Submit/Receive Complaints	Initial Actions	Investigation	Follow-up Actions
• Receive complaints through various reporting channels (anonymous internal reporting board, employee counseling programs, surveys, grievance counseling center, etc.) • Review to determine whether a formal investigation is warranted	• Confirm the request of the reporter • Implement protection measures for the reporter • (If necessary) Take personnel action against the reported individual	• Conduct on-site investigation, data analysis, and in-depth interviews • Determine whether a human rights violations, such as harassment or sexual harassment, has occurred.	• Implement additional protection measures for the reporter • (If necessary) Take personnel action against the reported individual • Develop improvement plans and monitor the implementation of follow-up actions

Human Rights Management

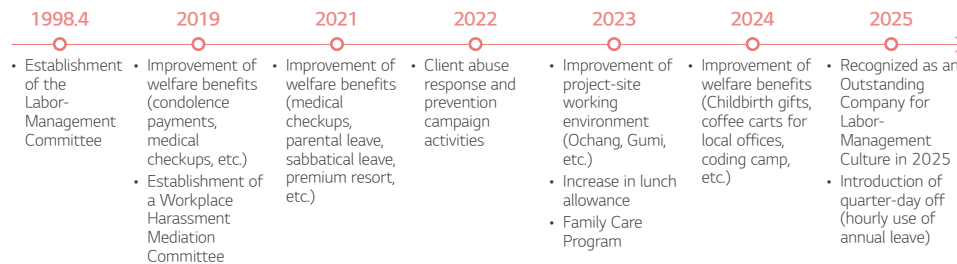
Labor-Management Committee

The “Labor-Management Committee” is a representative body that delivers the voices of all employees (100%) to the management and discusses important issues. Consisting of six employee representatives and six management representatives, the Committee holds regular quarterly meetings and ad hoc meetings when it is necessary to discuss major issues. The employee representatives, including two female representatives, are proportional to the number of employees in each business division. The committee addresses various issues, such as employee grievances, collective bargaining agreements, and management strategy, and carries out activities for employees, such as salary adjustments, operation of funeral assistance partnership and pregnancy care programs. In 2025, the Labor-Management Committee met four times.

Scope of Employees Subject to Agenda Items of the Labor-Management Committee

Category	2022	2023	2024	2025
Scope of Employees (%)	100	100	100	100

History of the Labor-Management Committee



Educational Expense Support for Employees with Children

LG CNS provides financial aid to help alleviate the burden of education expenses for employees with children. We provide financial assistance to cover actual expenses for admission fees, tuition, and school operating costs, up to a maximum of KRW 2 million per year for middle school students, KRW 4 million per year for high school students, and KRW 10 million per year for college students. All employees are eligible for this program, regardless of length of service or employment status, based on the company's policy to alleviate the financial burden of education costs for all employees without discrimination.

Support for Special Education Expenses for Employees' Children with Disabilities

LG CNS provides financial assistance for special education expenses to support employees with children who have disabilities. Employees with children aged seven or older who have disabilities are eligible for reimbursement of actual expenses, including admission fees, tuition, and school operating costs, up to a monthly limit of KRW 1 million, regardless of whether the school is public or private. This program is based on our policy goal of understanding and embracing the challenges faced not only by employees with disabilities but also by those with children who have disabilities.

Parental Leave

At LG CNS, all employees are eligible for up to two years of parental leave, inclusive of the legally mandated period, regardless of gender. This enables employees with young children to spend sufficient time with them at home. The program is based on LG CNS's policy of respecting and embracing the needs of employees with children, and the company's supportive culture allows employees to use their parental leave without hesitation or concern.

Maternity Care and Female Employee Support Programs

To protect and respect pregnant and parenting employees, LG CNS offers various programs, including pre- and postnatal leave, paternity leave, reduced working hours during pregnancy and childcare, and time off for prenatal checkups. In addition, we understand and accommodate the difficulties caused by the physical differences between men and women by providing menstrual leave for female employees.

Programs to Support Infertility and Low Birth Rates

To improve the quality of life for our employees, LG CNS has partnered with a specialized medical institution (Cha Hospital) to offer personalized welfare programs, including infertility treatment, fertility screenings (such as AMH tests), and support for fertility preservation (egg freezing). These programs increase accessibility, allowing employees to receive treatment with peace of mind. These efforts demonstrate our commitment to implementing ESG management practices that foster a work environment supportive of childbirth and parenting and address the issue of low birth rates.

Human Rights Management

Customized Support for Project Sites

LG CNS operates various communication and engagement programs to ensure that it is actively listening to the opinions of employees at its project sites and incorporating them into management decisions. For example, through the “Chunmun Hyeondab (Q&As)” program, the CEO and other key executives visit project sites in person to hold open Q&A sessions with employees, listening to their concerns directly and exploring solutions. This is one of our representative activities aimed at strengthening on-site communication and enhancing employees’ sense of belonging. In addition, we operate “In.terFACE,” a program that facilitates close communication between junior employees and the HR department, and “WITH PM,” a networking and care program for project managers (PMs), who are key personnel in projects, to strengthen tailored communication based on their specific roles and responsibilities. To facilitate regular communication between management and employees, we also hold quarterly “Labor-Management Committees” to share business updates and discuss key issues, and have established a multi-layered communication structure within the organization through the “Leadership Forum” for leaders. LG CNS continuously promotes a field-centered organizational culture and is striving to improve working conditions through the “Good Office” initiative that inspects working environments at business sites nationwide and implements tailored improvement measures.

Organizational Satisfaction

Through the LG Way, LG CNS conducts an annual organizational satisfaction survey to quantify and systematically manage employee feedback. The survey results are reported to senior management and shared with the Labor-Management Committee, and are used as indicators for managing organizational changes.

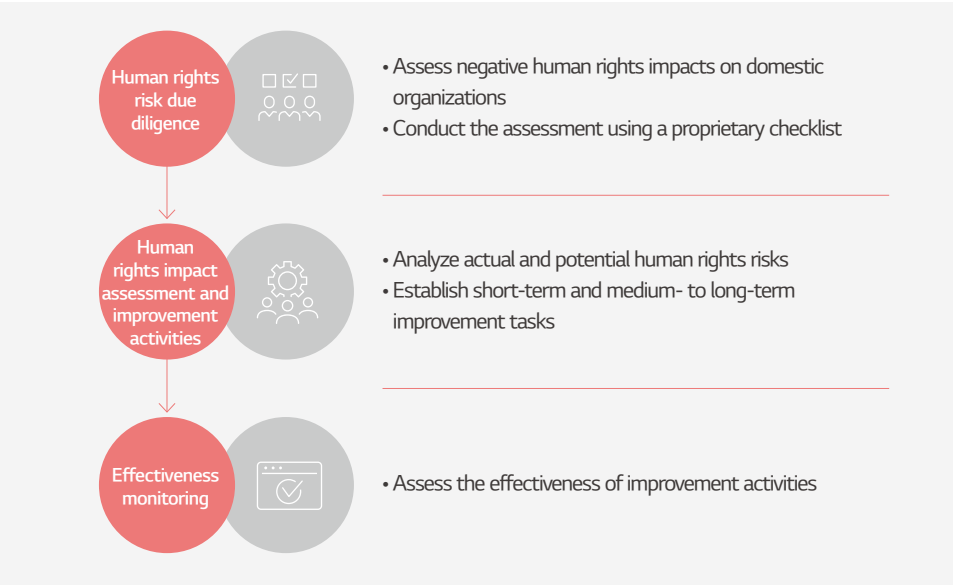
Organizational Satisfaction

Category	2022	2023	2024	2025
LG Way Participation rate (%)	90	90	94	93

Human Rights Impact Assessment

LG CNS aims to achieve “zero human rights risks” by complying with social responsibilities and relevant laws and regulations, and strives to ensure a high level of human rights protection throughout all business operations. To this end, we are establishing a systematic human rights management system across our domestic and international business sites, partner companies, and various stakeholders, and embedding it throughout the entire organization. In addition, we have established and operate a human rights impact assessment process to prevent human rights risks. Through this process, we systematically identify and evaluate the potential human rights impacts on key stakeholders, including employees, partner companies across the entire value chain, external contract workers, business partners, and local communities.

Human Rights Impact Assessment Process



Target stakeholders: Our employees, women, children, local residents, migrant workers, external contract workers, and workers employed by partner companies and business partners
Key management areas: Forced labor; human trafficking, child labor, freedom of association and collective bargaining, discrimination and equal pay, safety and health, and job security

Human Rights Management

Human Rights Impact Assessment Results

LG CNS has consistently conducted risk assessments related to human rights and labor rights as part of the new and regular evaluations of our partner companies. We conducted the first human rights risk assessment of our business sites in 2025. We categorize and manage the risks identified through these assessments in stages based on their severity and urgency.

Scope of Assessment	Assessment Rate (%)	Risk Identification Rate (%)	Remediation Rate (%)
LG CNS Business Sites	25	3	100
Tier 1 Key Partner Companies	100	5	100

Affected Stakeholders	Human Rights Issue Focus Areas	Expected Potential Human Rights Risks	Risk Mitigation Activities	Remediation and Corrective Actions
Full Scope	Human rights management	Insufficient human rights management framework	- Establish and publish human rights policies - Conduct human rights training for employees and partner companies	- Operate a reporting channel for human rights violations - Strengthen corrective actions and measures to prevent recurrence of violations
Women, Persons with Disabilities, etc.	Prohibition of discrimination in employment	- Need for improvement in workforce diversity ratio - Potential for discrimination based on gender, disability, age, region of origin, etc.	- Establish and implement anti-discrimination policies - Conduct personnel management in accordance with the principle of equal pay for equal work - Implement diversity and inclusion programs	- Operate an internal reporting channel for incidents of discrimination - Implement disciplinary action against perpetrators while improving organizational culture
Employees/Partner Companies/Migrant Workers	- Prohibition of forced labor - Prohibition of child labor - Prohibition of human trafficking	Potential for excessive overtime due to the nature of the work	- Principle of entering into voluntary employment contracts - Operate age verification procedures during hiring - Prohibit the retention of identity documents, operate a flexible work system and implement overtime limits - Inspect partner companies for compliance with the Labor Standards Act	- Implement immediate disciplinary measures and protect victims in the event of a forced labor incident - Require the partner company involved in the incident to take corrective action and review whether to continue the contract
Employees/Partner Companies	Guarantee of occupational safety and health	Potential for workplace accidents during operations	- Provide safety equipment and improve the work environment - Implement risk assessments, corrective measures and regular safety training	- Establish an incident response process to enable rapid root cause analysis and develop recurrence prevention measures in the event of an incident - Provide support for medical expenses and compensation
	Guarantee of freedom of association and collective bargaining	Potential lack of communication between management and employees	Operate communication channels between management and labor	- Investigate any unfair labor practices and implement corrective measures - Mediate disputes and implement measures to protect affected workers as necessary
Partner Companies	Responsible management of the supply chain	Potential human rights risks at partner companies	- Include requirements for compliance with human rights provisions in contracts - Manage compliance with human rights through regular evaluations and on-site inspections	- Request corrective action if human rights violations occur at a partner company - Implement measures such as restricting business transactions or terminating contracts if corrective action is not taken
Clients/Local Communities	Guarantee of environmental rights	Negative environmental impacts from business operations such as data centers	- Establish an environmental management system and implement pollution prevention activities - Disclose environmental information	- Implement prompt recovery and compensation measures in the event of an environmental incident - Improve facilities and strengthen management systems to prevent recurrence

Human Rights Management

Employee Welfare Program

LG CNS supports a wide range of welfare programs to enhance the quality of life and well-being of our employees.

Program	Description
Life Cycle Benefits	• KRW 2.5 million and congratulatory wreaths for marriage after joining the company (for employees who have worked for at least one year) • Student loan interest support for early-career professionals, gifts for promotion to specialist • "Digital Coding Camp" for employees in their second year of employment
Family-Friendly Programs	• Support for travel vouchers for retirees • In the event of an employee's death, an in-house funeral assistance partnership provides support for the bereaved family, as well as support for funeral expenses and provision of funeral goods
Family-Friendly Programs	• In-house daycare centers provided at Magok Headquarters, Sangam DDMC and Twin Towers in Yeouido • Psychological tests for children, birth gift, gifts for elementary school entrance, and college entrance exam, etc. • Welfare cash benefits such as holiday welfare points and support for 60th and 70th birthday celebrations
Self-Responsibility Work System	• Flexible work hours and locations based on individual schedules and life patterns. • Allow employees to reduce their work hours by up to 25 hours per week for reasons such as caring for family members, personal illness, or pursuing an education
Support for Long-Term Service Rewards and Vacation Usage	• Operate more smart offices and base offices
Reward	• "Refresh Vacations" with paid time off for a minimum of three weeks and a maximum of one month : either a reward or a sabbatical guaranteed every five years
Reward	• Offer a variety of luxury resorts and glamping sites, including Ananti, Anto, Resom, Hanwha Premium Resort, Jeju Artvillas, Hawaii Hilton and more
Hobbies & Sports Programs	• CEO Rewards : Select and reward outstanding performers each year based on recommendation from business divisions • Provide spot incentives for successful projects and business division rewards
Hobbies & Sports Programs	• Operate 12 "Informal" in-house clubs • Year-end enterprise-wide e-sports competition (online LoL game competition) • Free loan of 2 books per month for 2 weeks through LG CNS e-Library
Mental and Physical Healthcare	• Four free tickets for LG TWINS baseball games and four free tickets for Seoul FC soccer games each year • Executive-only golf course membership benefits expanded to all employees (midweek) • Hold enterprise-wide futsal and soccer tournament (Chun FC)
Mental and Physical Healthcare	• One-on-one psychological counseling with a professional counselor provided at the employee's convenience through our in-house counseling center • Mental care services : Regularly sending out newsletters with articles and methods to help with mental care • Health therapy : Professional therapists hired to provide professional massages • In-house fitness center
Promotional Discounts for Employees	• Operate programs for team-building and mental health care of employees : Rooftop terrace parties, Party on Site, One-day trip, etc. • Send PM support gifts, project support gifts • Support medical expenses for serious diseases, group insurance, flu vaccination, etc.
Promotional Discounts for Employees	• Offer promotions and discounts on hotels, airline tickets, amusement parks, etc. • Provide life care points : Purchases of LG Electronics devices, groceries, etc.
Work-Life Balance Program	• Operate maternity protection programs, including at least 90 days of paid leave before and after childbirth and reduced working hours during pregnancy for female employees • Provide up to 20 days of family care leave per year to support family members in cases of illness, accidents, old age, or child-rearing • Enhance employees' quality of life and strengthen a sustainable organizational culture through family-friendly policies and improvements in the work environment
Work-Life Balance Program	• Guarantee parental leave of up to two years for all employees, regardless of gender, prohibiting dismissal during parental leave and guaranteeing reinstatement to the same or an equivalent position • Provide a lactation room to support breastfeeding and pumping, and supporting a stable work environment after childbirth • Provide infertility treatment, fertility screening, and fertility preservation (egg freezing) support through programs designed to address infertility and the low birth rate

Information Security and Personal Data Protection

Governance

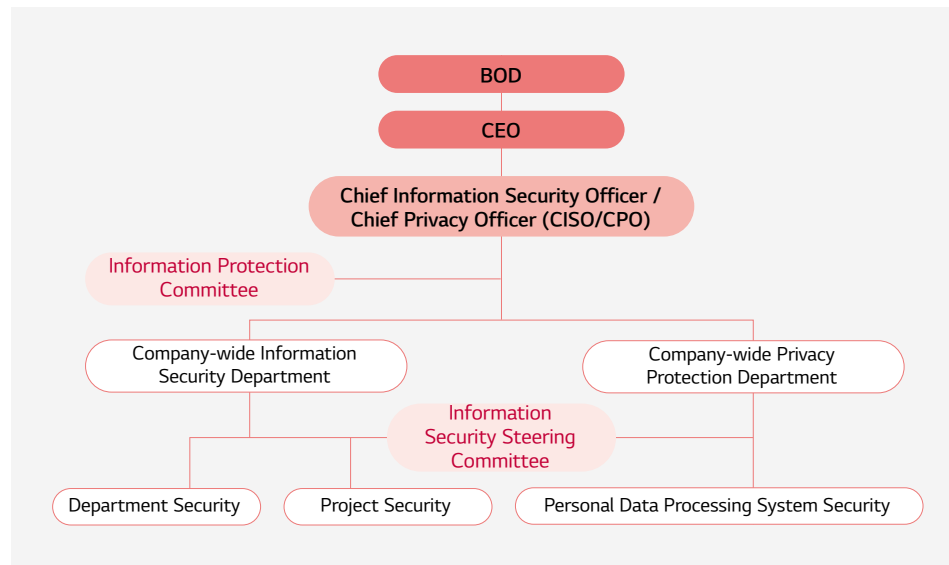
Information Security Management System

LG CNS has appointed a CISO (Chief Information Security Officer), CPO (Chief Privacy Officer), and credit information managers and protectors to engage in information security activities enterprise-wide, and requires each department to designate an information security manager and a person in charge of information security. The information security manager and person in charge of information security are responsible for personnel management, key asset management, and communication within their respective departments regarding security issues.

Departments that handle personal data are required to designate a privacy manager and a person in charge of privacy to continuously strive to protect personal data, and also must hold regular meetings with key internal and external service security managers to discuss security policies, response measures, and work progress.

To strengthen the company's expertise and independence in the area of information security, LG CNS has established an information security organization that reports directly to the CEO, which is further divided into the Company-wide Information Security Department and the Company-wide Privacy Protection Department. We also hold an Information Protection Committee and Information Security Steering Committee meeting at least once a year, or whenever major security decisions or issues related to enterprise-wide security measures arise.

Enterprise-wide Security Organization



Information Security and Personal Data Protection Policy

LG CNS has developed its information security management system to ensure compliance with the three major Korean data-related laws (the Personal Data Protection Act, the Act on the Promotion of Information and Communications Network Utilization and Information Protection, and the Credit Information Use and Protection Act), the Electronic Financial Transactions Act, the Act on the Protection and Use of Location Information, as well as overseas information security laws and regulations.

Our information security management system is governed by a regulation that declaratively sets out management's commitment to and direction for information security, as well as 12 specific rules categorized by information security area. The 12 specific rules are organized into common and business-specific areas, enabling swift and flexible responses to rapid internal and external environmental changes and the incorporation of new technologies resulting from changes in business methods and models. In addition, we distribute a guideline detailing the roles and responsibilities of each employee in ensuring information security.

Policy Framework

Category	Description
Regulations	Documents defining fundamental principles and operational policies established by company rules
Detailed rules	Documents describing specific execution methods to implement the principles and policies defined in the Regulations
Guidelines	Document that can be used to provide guidance, communication and training for those performing the work

Information Security Detailed Rules

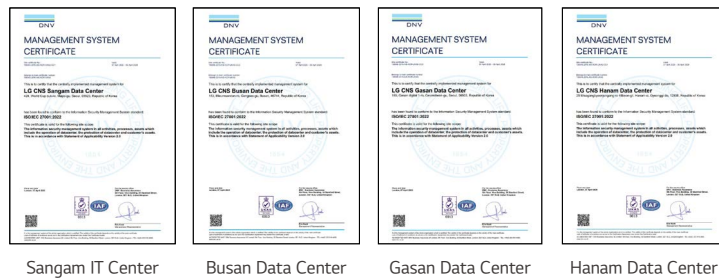
Area	Detailed Rules	Description
Common area	Information Security Management System	Detailed rules for establishing a management system for organizations, regulations, and duties
	Information Asset Security Management	Detailed rules for managing information assets, including classification, disposal, destruction, and evaluation
	Personnel Security	Detailed rules for personnel management, including training for employees and external personnel
	Physical Security	Detailed rules for managing access to the work environment, bringing items into and out of the workplace, and managing computer equipment
	Information System Security	Detailed rules governing responsibilities, authorities and security management of information systems
	Privacy Protection	Detailed rules for managing and processing personal data
	Cloud Security	Detailed rules for the introduction, design, development, and operation of cloud services
	Security Incident Response	Detailed rules for preventing security incidents, and established response systems in the event of an incident
	IT Disaster Recovery	Detailed rules for IT disaster recovery systems, plans, and mock drills
Business-specific area	Internet Data Center (IDC)	Detailed rules governing the construction, access control, monitoring, and protection of integrated information and communication facilities
	SaaS Service Global Compliance	Detailed rules for establishing and managing overseas compliance frameworks
	Electronic Financial Information Security	Detailed rules for operating an electronic financial information security system

Information Security and Personal Data Protection

Internal and External Certifications

All services provided by LG CNS have obtained the certifications required by the applicable laws and regulations. In 2026, LG CNS obtained ISO 27001 certification for its enterprise-wide information security management system. In addition, the scope of the ISMS certification covers LG CNS's external services and IDC operations, while the ISMS-P certification covers the operation of B2C services, including personal data protection. To maintain and manage these certifications, LG CNS conducts internal and external audits and related activities approximately once a year.

[Information Security Management System Certification (ISO 27001)]



PCI-DSS



Information Security Management System Certification (ISMS, ISMS-P)

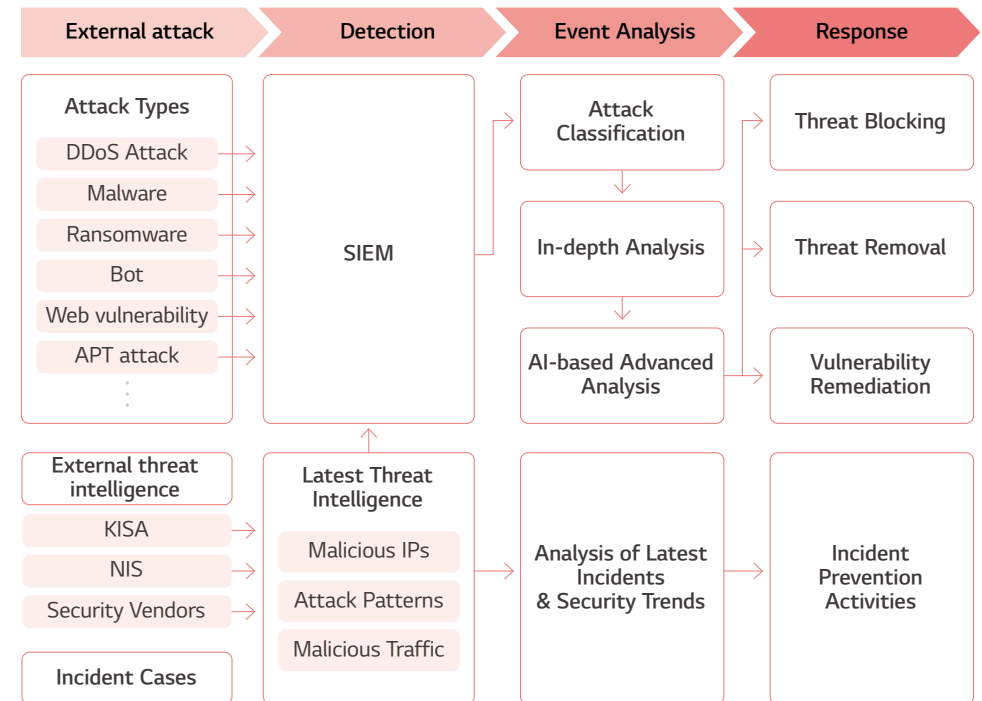


Risks & Opportunities Management

Activities to Prevent External Attacks

With the recent increase in threats to industrial facilities and attacks aimed at leaking personal data, LG CNS is constantly carrying out preventive activities to prepare for more sophisticated external attacks, such as hacking and distribution of malicious code. To prevent the spread of damage, we operate a Security Information and Event Management (SIEM) service that detects intrusion threats and responds promptly. In addition, we strive to create a safe working environment by introducing solutions that block malware and ransomware delivered via e-mail.

Security Information and Event Management (SIEM)



Information Security and Personal Data Protection

Information Security Audit and Improvement Process

LG CNS has established an information security management system to protect information assets from security threats, and conducts regular audits to improve this system.

As an AX specialist, we implement security measures from the initial stages of developing and deploying AI-powered services, applying them to the operational environment to provide clients with reliable services. We also distribute internal security guidelines that employees must follow in their use of AI to help our employees maintain a secure AI work environment. LG CNS engages in a range of security awareness initiatives, such as requiring all employees to sign an AI usage security pledge, to clarify security responsibilities and obligations related to AI use, thereby fostering a culture of safe AI utilization.

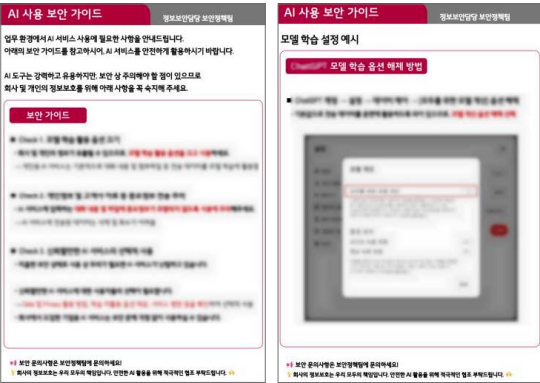
Information Security Management System

Security Domains	Key Activities
Policy Establishment & Management	- Establishment and management of company-wide information security regulations and guidelines - Compliance with information security-related laws and regulations - Annual revision and publication of regulations
Personnel Security	- Annual information security training and ongoing awareness activities - Company-wide promotion of security activities - Security pledges and checks at joining and leaving the company - Security management for partner company personnel assigned to projects
Third-Party Management	- Specify privacy requirements in partner contracts - Regular monitoring and audits of personal data processor
Security Assessments	- Regular and ad-hoc audits of administrative, physical, and technical safeguards - Operation and review of Personal Information Management System for privacy compliance - Vulnerability assessments and penetration testing
Information Security Incident Response	- Establish information security incident response procedures and run at least one drill a year - Enforce a zero-tolerance policy in the event of security incidents, such as personal data breaches
Worksite Security	Access control based on the criticality of each worksite

Key Security Measures for AI-powered Services

Security Domains	Key Security Measures
User Security (Preventing information leaks)	- Use only authorized AI services at work - Conduct regular awareness activities and training - Monitor the status of new AI services and distribute usage guidelines throughout the company
System Security (Responding to hacking and virus attacks)	- Conduct vulnerability assessments for each area based on AI usage - Allow access only to authorized users through secure authentication methods - Use dedicated space (tenant) - Encrypt data and transmission channels - Operate a security system capable of responding to external attacks - Prevent input data and stored data from being used to train external models
Personal Data Protection (Compliance)	- Filter, correct, or delete personal data included in AI generated content - Conduct privacy impact assessments - Log user/administrator actions and personal data access records - Apply filtering to prevent personal/sensitive data from being included in prompts

Security Guide for the Use of AI (Example)



Information Security Pledge for the Use of AI (Example)



Information Security and Personal Data Protection

Strategy

Personal Data Protection System

LG CNS recognizes the importance of personal data, and is making ongoing efforts to protect it. To ensure the safe processing of personal data, we conduct Privacy Impact Assessments before introducing a personal data processing system. In addition, we perform annual audits of internal personal data management plans, provide specialized training to employees who handle personal data, and check the management status of personal data processors. We operate a system that monitors the current status of personal data management, and regularly review this status to identify and address vulnerabilities. We also strive to raise employee awareness of the importance of preventing personal data leaks by conducting frequent security drills.

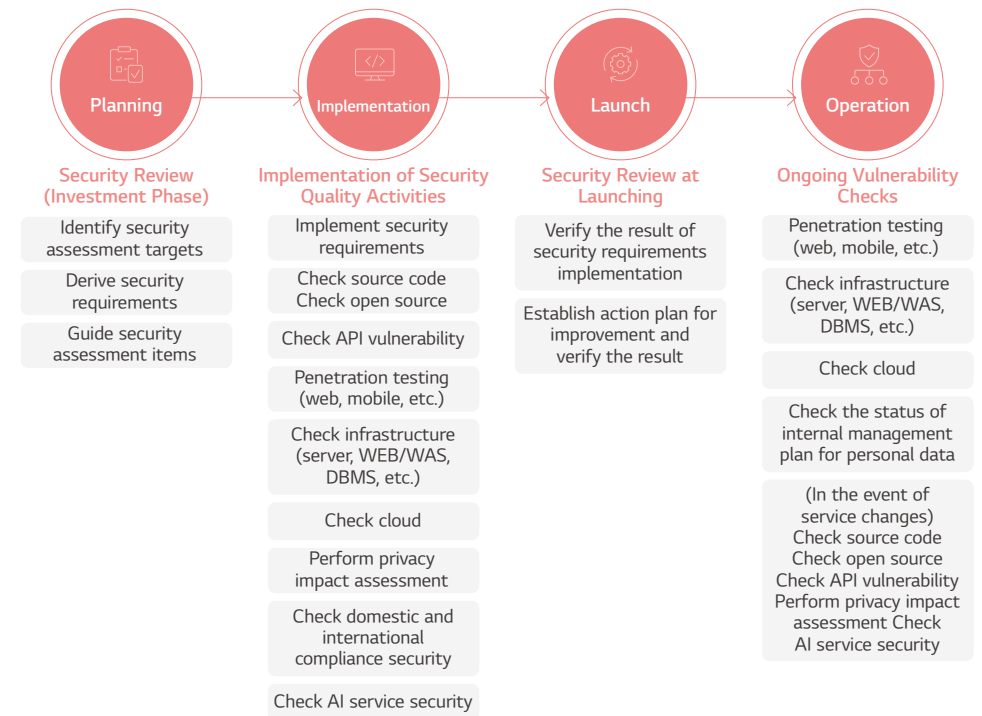
Security Activities across the Lifecycle of Personal Data Processing Systems

System Implementation	System Operation	System Decommissioning
Privacy Impact Assessments (PIAs) Domestic & Global Compliance Checks • Establishment of a personal data management system - Collect minimum personal data - Restrict the collection of uniquely identifying information and sensitive information - Establish privacy policy to comply with laws and regulations and protect the rights of information subjects • Measures to ensure the security of personal data - Encrypt personal data during its transmission - Identify personal data to be encrypted, and encrypt it - Log personal data access records	Internal Management Plan Audits Audits of Third-Party Processors • Audit of internal personal data management plans - Appoint a privacy manager and a person in charge of privacy - Manage personal data handlers - Control access and grant minimum access authorization • Audit of the status of personal data processors - Establish an internal management plan for personal data - Conduct personal data protection training - Protect the PCs used by personal data handlers - Establish procedures for responding to personal data leakages	Verification of Personal Data Destruction • Disposal of personal data - Digital files : Permanently delete using a method that makes their restoration impossible - Records, printed materials, written documents, and other recording media : Shred or incinerate • Confirm the final termination of the personal data processing system

Security Assessment Process

LG CNS identifies security requirements from the planning stage to strengthen the security of its solutions and services. During the implementation phase, we perform security quality assurance activities, and prior to launch, conduct security reviews to verify that the identified security requirements have been properly implemented. We also perform ongoing security vulnerability analyses during the operational phase. With this security assessment system, LG CNS ensures continuous security management.

Security Assessment Process



2025 Security Assessment Results

Regular Vulnerability Analysis Targets	Assessment Rate	Areas for Improvement	Remediation Rate
256	100%	267	100%

Information Security and Personal Data Protection

Global Security Compliance Process

Regulations governing information security and personal data protection are becoming increasingly stringent worldwide, as evidenced by the introduction of the EU General Data Protection Regulation (GDPR), China’s Cybersecurity Law, and Vietnam’s Personal Data Protection Law. LG CNS is actively addressing these regulatory trends in collaboration with its local subsidiaries to ensure the secure operation of overseas businesses. Moreover, to minimize potential regulatory risks, LG CNS is developing response measures tailored to key areas and conducting thorough compliance audits. Furthermore, the headquarters’ information security organization operates a management system that oversees security compliance throughout the entire lifecycle of overseas subsidiaries, from establishment to operation and liquidation. We work closely with overseas subsidiaries to ensure their compliance with local security requirements, proactively identify threats, and implement protective measures.

Operation of Overseas Security Regulation Management System

Establishment of subsidiary	Operation of subsidiary	Liquidation of subsidiary
Review regulations in relevant countries - Identify the applicable information security laws and regulations according to the corporation’s purpose at the time of its incorporation - Review protection standards based on the identified laws and regulations - Establish a management system in accordance with the protection standards - Ensure the stability of the system	Perform information security activities - Designate a mandatory security manager within the corporation - Manage personal data held by the corporation and system status - Review the introduction of the corporation’s own system - Identify security-related legal restrictions for new contracts and reflect them in management regulations - Manage changes required by new overseas legal regulations - Conduct annual management system/security compliance inspections	Inspect the destruction of personal data - Identify laws and regulations related to the destruction of personal data/assets at the time of corporate liquidation - Review protection standards for the destruction of personal data/assets in accordance with the identified laws and regulations - Destroy in accordance with the protection standards

Information Security Management Goal

As a leading IT company, LG CNS is proactively addressing gaps in our security and strengthening our response system to address new and increasingly sophisticated hacking attacks. Through these efforts, we are working toward our ultimate goal of having “zero security incidents.” Based on the “Zero Trust” security strategy, we are implementing single sign-on (SSO)¹⁾ and multi-factor authentication (MFA)²⁾ for thorough security authentication management. To strengthen security for our overseas operations, we have established SASE³⁾. We grant limited access permissions based on a secure authentication management framework. To continuously detect vulnerabilities and anomalies, we have developed an information leakage monitoring solution that utilizes our proprietary AI security solution, SecuXper AI. We also have introduced a personal data access log management solution to continuously improve our security environment. LG CNS is implementing a Zero Trust security paradigm to enable a proactive response to changes in the IT environment resulting from AX.

What is Zero Trust? (2010, John Kindervag)

Trust is a Security Vulnerability → Trust Nothing!

1

Thorough security authentication and management for all users and devices, without exception

2

Implementation of security policies that minimize damage by restricting access rights

3

Ongoing detection, remediation, and resolution of vulnerabilities and anomalies even after authentication

1) SSO(Single Sign On) : A security application solution that allows users to log in to various corporate systems and services with a single login
2) MFA(Multi-Factor Authentication) : A security technology that uses multiple authentication factors for identity verification when users access services and systems
3) SASE(Secure Access Service Edge) : A cloud security technology that combines network and security functions to quickly and efficiently respond to security issues in mobile, remote working, and cloud environments at the service edge

Information Security and Personal Data Protection

Activities & Achievements

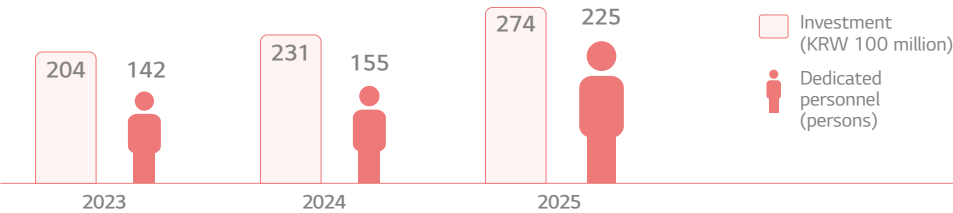
Disclosure of Information Security Activity

LG CNS transparently discloses its information protection activities and investment status by posting the information protection status on the information protection disclosure website.

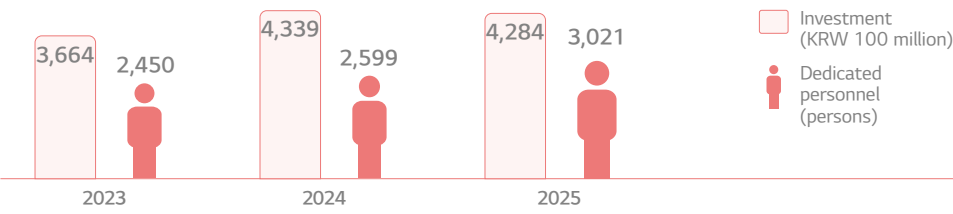
Our investment in information security for 2025 is approximately KRW 27.4 billion, an increase of about 34% compared to 2023 (approximately KRW 20.4 billion), while our dedicated personnel in the information security sector increased by approximately 58%, from 142 in 2023 to 225 in 2025. Based on this, we are advancing key information security initiatives, including the enhancement of AI-based anomaly monitoring, the strengthening of cloud security monitoring, and the implementation of EDR1 for cloud resources. Since our initial disclosure in 2022, we have been continuously expanding both our information security investment and our dedicated workforce.

Meanwhile, IT investment reached approximately KRW 428.4 billion in 2025, representing a 17% increase from approximately KRW 366.4 billion in 2023. During the same period, the number of dedicated IT personnel increased by approximately 23%, from 2,450 to 3,021. Based on these sustained investments and activities in the information security and IT sectors, LG CNS was selected as an outstanding enterprise for information security investment for four consecutive years (2022 to 2025), and was also named as an outstanding enterprise for information security disclosures in 2025.

Disclosure of Information Security Activity



Disclosure of Information Technology Activity



Activities to Enhance Information Security Awareness

LG CNS conducts various activities to raise the security awareness of its employees. All employees, regardless of employment status or working hours, are required to sign a security pledge once a year and complete mandatory training on information security and personal data protection. We regularly post card-style security promotional materials on the enterprise-wide bulletin board, and have a website that explains complex internal security policies in an easy-to-understand manner. We also promote security awareness by regularly distributing personal data protection and security compliance letters, as well as conducting phishing email drills.

In addition, we provide information security training to our partner companies to enhance security at our project sites.

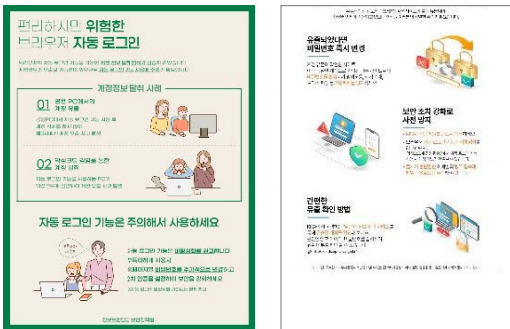
Information Security Training

Training Title	Key Content	Target Audience
Personal data protection training	Personal data protection guidelines for data handlers, persons in charge, and managers	Personal data handlers, persons in charge, and managers
Basic education on information security	Quiz-based training on our security policies and work-related precautions	All employees, including partner companies and overseas subsidiaries
Security training for developers	Security compliance guidelines for developing vulnerability-free systems	Project team members
Security training for partner companies	Information security precautions partner companies must follow	Partner personnel

Promotion on the LG CNS Security Policy Website



Posters to Raise Information Security Awareness



1) EDR (Endpoint Detection and Response) : A solution that detects, analyzes and responds in real time to malicious activities taking place on endpoints to prevent the spread of damage

Information Security and Personal Data Protection

Phishing Email Drills

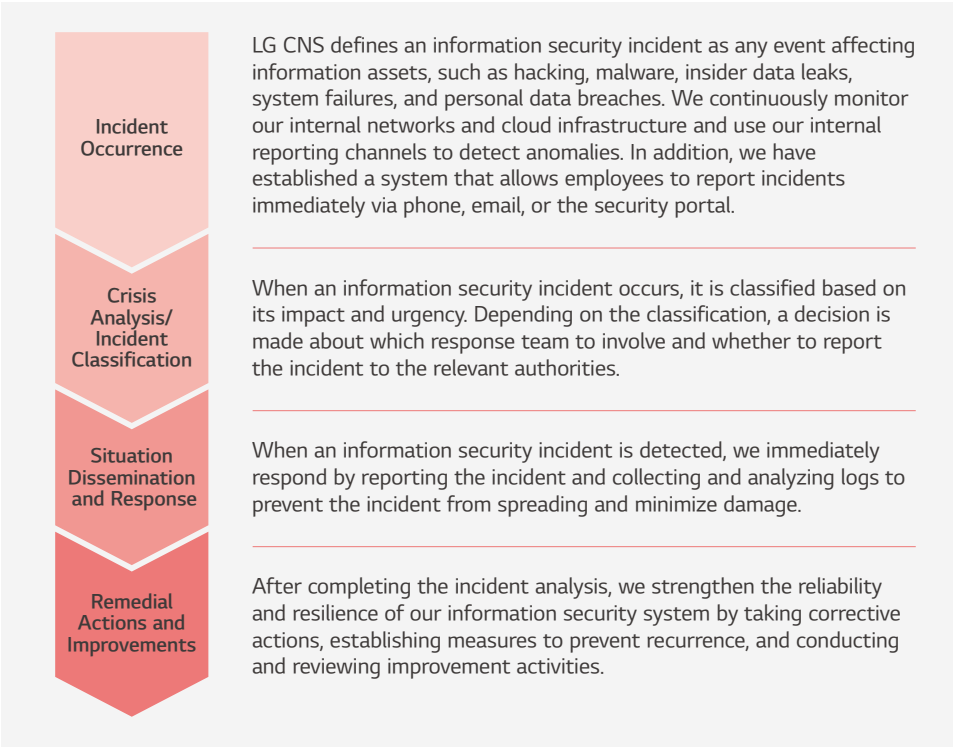
LG CNS regularly conducts simulated malicious email training for all employees to prevent malware infections from malicious emails and raise awareness. By sharing best practices based on the results of these drills and encouraging employee participation through various initiatives, we promote voluntary engagement among employees and strive to continuously improve their security awareness.



Process for Reporting and Responding to Information Leaks, Breaches, and Collection

LG CNS has established and operates a company-wide information security incident response process to protect our core technologies and client information.

Security Incident Response Process



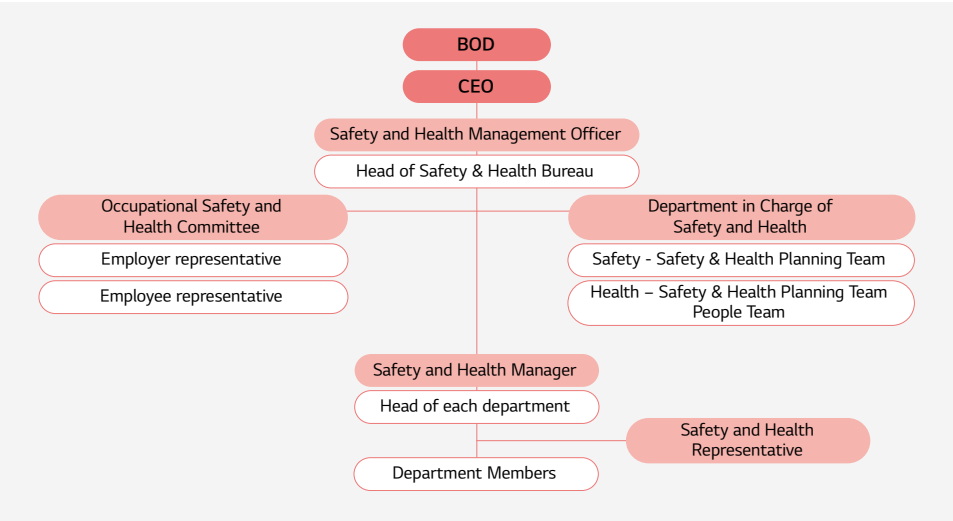
Safety and Health

Governance

Safety and Health Management System

LG CNS operates safety and health management systems for each data center and project, with the dedicated Safety and Health Bureau, which is responsible for enterprise-wide safety and health management, at the center. Based on the enterprise-wide Safety and Health Management Regulations, the bureau appoints safety and health officers for each business site, listens to employees’ opinions through the Occupational Safety and Health Committee and Labor-Management Committee, and carries out improvement activities accordingly.

Enterprise-wide Safety and Health Organization



Safety and Health Management by Business Site

Business Site	Safety and Health Management System	
Data Center	- Manager : Appointed head of the data center business unit - General manager : Designated person in charge within the data center operation team	- Management supervisor : PL by center, Head of partner company - Committee : Occupational Safety and Health Committee, Safety and Health Steering Committee
Construction Project	- Manager : Appointed PM - Safety Manager : Appointed for construction projects with a budget of KRW 5 billion or more - Health manager : Appointed for construction projects with a budget of KRW 80 billion or more	- Management supervisor : PL by construction type, Head of partner company - Committee : Safety and Health Steering Committee, Labor-Management Committee (construction projects with a budget of KRW 12 billion or more)

Safety and Health Management Policy

LG CNS views safety and health as a non-negotiable top management priority, and has established and implemented its “Safety and Health Policy and Objectives” to provide employees with a safe and healthy work environment. Top management demonstrates its commitment to safety and health by regularly communicating safety messages to every employee. Every organization and employee clearly understands its responsibilities and actively participates in safety and health initiatives. LG CNS’s Safety and Health Management Policy was reported to and approved by the board of directors in February 2026. The 2026 Safety and Health Plan, including the safety and health organization, budget, and work plan, was also approved by the board in February 2026. To strengthen the company’s overall emergency response capabilities, LG CNS has set annual targets for the number of “CPR-trained employees¹⁾” and is gradually increasing the number of employees.

Mid- to Long-Term Target for CPR Trained Employees

Target	2026	2027	2028
Percentage of Employees Completed CPR Training (%)	60	63	65

Safety and Health Policy

Safety and Health Policy
LG CNS recognizes safety and health as a non-negotiable management priority and fulfills its responsibilities and obligations to create a safe and healthy workplace.
- We consider safety and health as a priority over efficiency and economy when making decisions on business activities. - We strictly comply with safety and health laws and regulations, and improve safety and health by operating management systems that exceed legal requirements. - We prevent accidents by continuously monitoring and remediating hazards and risk factors, and minimize damage by strengthening crisis response capabilities. - All organizations and employees are clearly aware of their roles and responsibilities in ensuring safety and health, and actively participate in safety and health activities. - We transparently and diligently communicate necessary safety and health information to our employees and stakeholders.
Safety and Health Goals
- The management establishes goals for safety and health activities, inspects the workplace regularly, and operates procedures to listen to voices of the employees and make improvements. - Employees proactively participate in and execute required safety and health activities. - We organize and spend the health and safety budget to prevent occupational accidents in accordance with legal standards. - We thoroughly implement proactive measures to identify hazards and risk factors and reactive measures to prevent accidents from recurring. - We disclose information in a timely and transparent manner and report to management to ensure proactive response and damage minimization.

1) Based on employees who completed LG CNS’s hands-on intensive CPR training; percentage of current domestic employees
※ Government recommendation: secure CPR-trained employees equivalent to at least 50% of employees by 2026

LG CNS Safety and Health Policy

Safety and Health

Safety and Health Certification Status

LG CNS obtained ISO 45001 Safety and Health Management System certification for the first time in 2019. The scope of this certification covers all of the company's domestic business sites, including its headquarters, data centers, and construction projects. As of 2025, 6,890 employees (100%) perform their duties in accordance with the Safety and Health Management System. LG CNS continuously maintains and manages the Safety and Health Management System through annual internal and external audits of the entire organization.

ISO 45001 Certification



Risks & Opportunities Management

Reducing Hazardous Factors at Business Sites

LG CNS conducts various activities, including risk audits and on-site inspections, to proactively identify potential hazards and risks that may arise during business operations and work activities, and to systematically mitigate these risks. To this end, the company adheres to a risk audit process that consists of the following steps: ① Preliminary preparation, ② Identification of hazardous and risky factors, ③ Risk determination, ④ Development and implementation of risk reduction measures, ⑤ Sharing of risk audit results, and ⑥ Record-keeping and preservation of records. Risk audits are conducted at various intervals, including initial audits, regular audits (once a year), and ad hoc audits (twice a month).

In addition, we conduct risk audits that reflect the specific characteristics of each business site, using a checklist method for office-based roles and a high-medium-low evaluation method for construction projects and data centers. One particular initiative that resulted from a risk audit of the Sangam IT Center was the implementation of protective caps on the battery terminals in the generator room, which resulted in a significant reduction in the risk of electric shock, from "medium" to "low." This measure effectively prevented electric shock safety accidents during operations and maintenance work in the generator room.

In 2025, LG CNS conducted a total of 111 safety inspections, and applied corrective actions to 141 non-conformities, including the installation of battery terminal protective caps and measures to prevent damage to construction equipment wiring. In addition, to strengthen safety management for overseas construction projects, we supported the establishment of a safety management system at the North American subsidiary and continue to enhance related support activities through regular meetings, such as weekly briefings and monthly safety conferences.

LG CNS has also established an "Accident Investigation and Countermeasure" process to prepare for accidents. Based on the process, we ① perform emergency measures, ② report according to the reporting system, ③ investigate the cause of the accident, ④ establish and implement measures to prevent recurrence, and ⑤ manage records of industrial accidents. Through this process, we strive to minimize damage and prevent the recurrence of accidents.

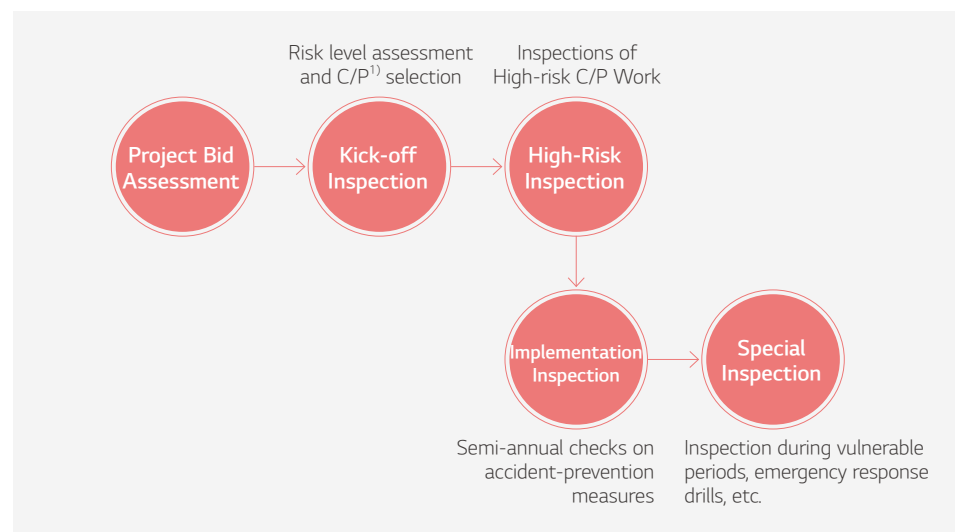
Safety and Health

Safety and Health Risk Management System

LG CNS applies a safety inspection system to construction projects with a high risk of accidents. Safety inspections are conducted at the time of project award and project kick-off, followed by high-risk work inspections, semi-annual compliance inspections, and special inspections, which are conducted in a manner that is tailored to each site. To reflect the requirements of the Serious Accidents Punishment Act, which has been expanded to apply to all construction sites regardless of project scale, we have reorganized the implementation framework for construction projects with budgets under KRW 5 billion. For projects valued at KRW 2 billion or more but less than KRW 5 billion, we have expanded on-site implementation inspections led by the Safety & Health Bureau. For small-scale projects valued at less than KRW 2 billion, we use a system focused on online inspections that reflects the core provisions of the Act and the specific conditions of the construction projects.

In addition, LG CNS conducts ongoing safety and health qualifications assessments for its construction, facilities, and IT partner companies at every stage of the procurement process, from registration and selection (contracting) to termination. Furthermore, we perform an annual evaluation of our partner companies to determine whether they possess the necessary safety and health capabilities to collaborate with us, classifying them as qualified or unqualified.

Safety and Health Risk Management System



1) C/P (Critical Path): Seven types of work with a high risk of serious accidents (work at height, hot work, construction equipment operation work, architecture/civil engineering, work with electricity, work in confined spaces, trial runs) are designated as high-risk work and subject to management

Strengthening Emergency Response Capabilities

LG CNS continuously strengthens its emergency response capabilities through emergency drills held in the first and second halves of each year. In May 2025, we conducted mock drills simulating a disaster victim scenario as a way of inspecting our emergency contact lists at the team level across the company. We also carried out internal drills tailored to the characteristics of data centers and construction projects in the following sequence: ① preliminary preparation and training → ② incident occurrence and initial response → ③ accident response → ④ situation resolution and debriefing. In October 2025, we conducted a live evacuation drill simulating a fire inside a building, further strengthening our employees' on-site response capabilities in the event of an emergency.

In addition, LG CNS introduced enterprise-wide CPR training in 2022 and has steadily increased the number of participants each year, in line with the government's roadmap for reducing severe accidents. Certified CPR instructors from the company's Safety and Health Bureau, along with nurses, conduct regular and ad hoc training (including for external project teams) for all employees. By 2025, over 50% of employees were capable of performing CPR; as of March 2026, a cumulative total of 4,408 employees had completed CPR training. Through various CPR training programs, including new employee training, VR CPR training, and on-site training, we strive to ensure that all employees can respond calmly and promptly in emergency situations.

We also provide safety and health training that is tailored to the specific characteristics of each business site to ensure compliance with legal requirements. For construction projects, we implement and manage job-specific training (for managers, safety managers, etc.), regular training (for management supervisors, workers, etc.), and special training (for hazardous tasks, etc.) at the respective site. Although the headquarters are not obliged to provide safety and health education, we offer new hires eight hours of online training through a specialized external institution to enhance their safety awareness. In 2025 alone, a total of 492 new hires completed the training.

Safety and Health

Activities & Achievements

Strengthening Safety and Health Support for Partner Companies

In an effort to proactively address the current administration's safety and health policy direction, as well as the on-site guidance and supervision of the Ministry of Employment and Labor, LG CNS invited experts from an external safety assessment agency to present a special lecture and participate in a round table discussion with representatives and executives of major construction partner companies (15 companies, 25 participants) in December 2025.

In addition, we have produced and distributed the "Construction Project Safety and Health Guidelines," which detail the requirements to be fulfilled at each stage of a project with LG CNS, to strengthen our partner companies' safety and health management capabilities, enabling them to apply this information directly in their day-to-day operations.

Enhancing Data Center Safety Management

LG CNS implemented digital twin technology at the Sangam Center and the Hanam Center to quickly assess equipment status and visualize worker movements in real time, thereby confirming the effectiveness of our safety management capabilities. Building on the success of these implementations, LG CNS expanded the use of digital twin technology to the Busan Center in 2025. This latest implementation included a new feature that integrates monitoring of UPS and battery status, establishing a system that allows for the immediate identification of problematic equipment within the digital twin when a malfunction occurs. This has further enhanced the speed of accident response and the stability of equipment operations.

Integrated UPS/Battery Monitoring Screen via the Busan Center Digital Twin



Selected as an "Outstanding Safe Organization" and "Excellent Data Center for Fire Safety"

In November 2025, the LG CNS Busan Data Center participated in the "2025 the Safe Competition," alongside 12 fire stations under the Busan Metropolitan City government. After a drill simulating a fire at the data center, the center was recognized for its effective cooperation between firefighters and data center staff and its on-site response capabilities. As a result, the center won the Busan Metropolitan City Mayor's Award and was selected as an outstanding organization, officially validating its disaster response system and on-site response capabilities.

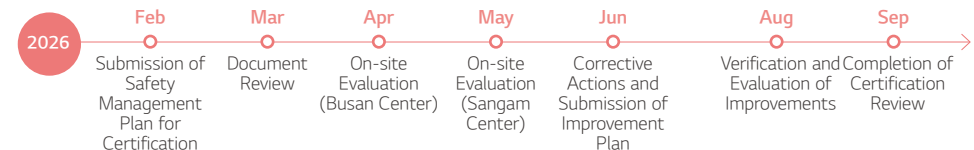
In addition, LG CNS was selected as an excellent data center for fire safety in January 2026 through the "Excellent Data Center for Fire Safety Certification System," promoted by the Busan Gangseo Fire Station. The certification program evaluates the level of fire safety facility maintenance, the autonomous safety management system, and the safety awareness of relevant personnel. LG CNS received high marks for its systematic management of fire safety facilities and fire response capabilities, which were developed through regular inspections and drills. We are strengthening the overall safety management level of our data centers by continuing proactive preventive measures, such as voluntarily installing fire spread prevention devices that exceed legal standards.



Pursuing Safety Zone Certification for Data Centers

This year, LG CNS aims to obtain the Safety Zone Certification, which is administered by the Korea Safety Certification Institute. This certification involves a thorough evaluation of a facility's safety across seven areas: safety management, architectural disaster prevention, fire safety, hazardous materials safety, equipment safety, equipment performance testing, and new technologies and facility improvements. A key feature of this certification is that it goes beyond mere document verification to include performance tests that confirm the actual operation of equipment. We expect this initiative to improve the reliability of our facilities and systems in responding to accidents and to substantially enhance overall operational stability by proactively inspecting and addressing risk factors during data center operations. These efforts will also advance our safety management capabilities, contribute to the provision of sustainable services and enhance stakeholder trust.

Implementation Schedule



Safety and Health

Listening to Opinions on Safety and Health Improvement

LG CNS operates a number of different safety and health communication channels for its employees and those of its partner companies. The headquarters and the Sangam IT Center hold quarterly Occupational Safety and Health Committee meetings to discuss key decisions related to improving safety and health at our business sites, and we diligently address any areas requiring improvement.

We conduct semi-annual surveys on safety and health for safety and health representatives at the team level and implement follow-up measures in the areas flagged for improvement. We also maintain online channels that allow employees to submit feedback at any time through the "Safety and Health Feedback/Report" banner on the main screen of the internal work portal and the "Request for Improvement" menu within the Safety and Health System.

LG CNS holds regular meetings on the safety and health, and conducts improvement surveys on its partner companies. For construction projects, we hold a Labor-Management Committee (bi-monthly for projects with construction costs over KRW 12 billion) and a Safety and Health Steering Committee (monthly for projects with construction costs under KRW 12 billion). These committees provide an opportunity for on-site workers to share their opinions, and allow us to continuously strive for substantial improvements.

In December 2025, we hosted a round table discussion with 25 representatives and executives from 15 major partner companies, taking the time to listen to their perspectives and discuss various measures for improvement.

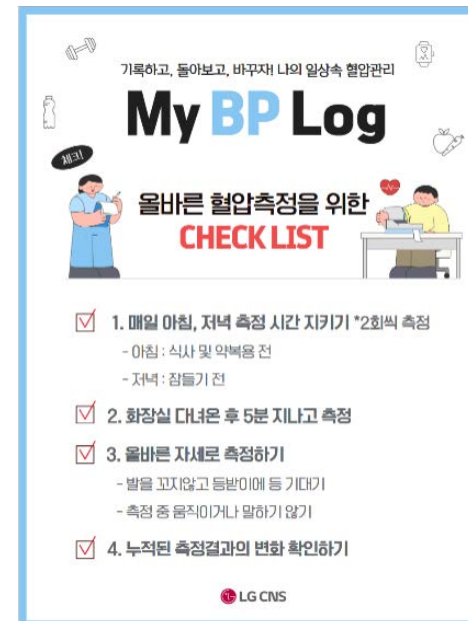
Enhancing and Managing Employees' Health

LG CNS conducts regular health screenings to protect the health of its employees and provides enterprise-wide health management services to those with abnormal findings. We adjust the comprehensive screening items annually with a focus on the prevention and management of cardiovascular and cerebrovascular diseases (such as stroke and heart attack), and provide a separate guide to help employees who have difficulty selecting the appropriate screening items.

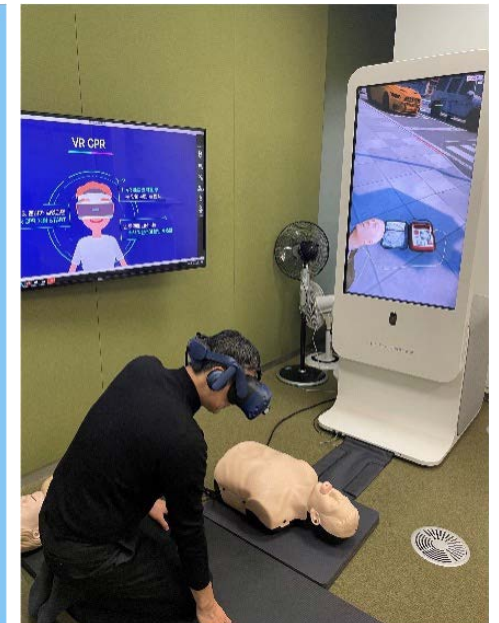
For employees in high-risk groups, we operate a one-on-one close monitoring system, from the design stage of the health checkup items through to the management of results, to ensure the early detection of diseases.

In 2025, we ran My BP (Blood Pressure) Log, a three-week program designed to improve the lifestyles of employees with high blood pressure, and achieved significant improvements in the blood pressure levels in 64.7% of participants. In 2026, we are continuing to pursue various initiatives to support employee health, including expanding the program for those with pre-existing conditions and conducting surveys on musculoskeletal risk factors.

My BP Log



VR CPR



Social Contribution

Governance

Social Contribution Policy

LG CNS is promoting social contribution activities through partnerships with various stakeholders, including all employees, NGOs, government agencies, and specialized institutions, under the leadership of the Public Affairs/ESG Bureau. In 2025, we established our Social Contribution Policy, and are striving to implement it.

LG CNS Social Contribution Policy



We realize social value by leveraging our innovative digital technologies and professional expertise.



We focus on beneficiary-centered programs that provide practical and tangible support.



We encourage voluntary participation by employees and embed social contribution activities as part of our corporate culture.



We pursue shared value by communicating and collaborating with local communities and stakeholders.

[LG CNS Social Contribution Policy](#)

Strategies

Social Contribution Strategy Framework

LG CNS is pursuing AX Social Contribution activities based on our digital innovation capabilities. In 2025, we redefined our social contribution vision, mission, and three key directions. Significantly, we operate our social contribution programs based on three core principles: “utilize expert competencies”, “together with employees”, and “coexistence with local communities”. By leveraging our AX capabilities and AI technology to nurture future talent and contribute to local communities, LG CNS is fulfilling its corporate social responsibility and contributing to the development of local communities.

Social Contribution Strategy Framework



Key Objectives of Social Contribution

LG CNS plans to offer its flagship social contribution program, “AI Genius”, to more than 2,000 students each year, and aims to gradually expand the number of participants.

Mid- to Long-Term Social Contribution Goals

Goal	2026	2027	2028
Total number of beneficiaries	28,000	30,000	32,000

Social Contribution

Activities & Achievements

AI Genius

To foster aspiring IT talent in Korea, LG CNS operates “AI Genius,” its internally developed AX social contribution program. Classes focus on practical training and hands-on activities to help students develop their ideas and improve their problem-solving skills by learning the basics of software and AI. Since 2017, LG CNS has partnered with the Seoul Metropolitan Office of Education to provide free education to teenagers. In addition, we are continuously expanding the scope of our education to include students in remote, rural areas and vulnerable groups.

LG CNS AX Experts' Volunteering

LG CNS employees voluntarily serve as instructors, teaching students AI theory and practical skills, and acting as mentors to help them explore career paths and plan for the future. LG CNS experts who are working at the forefront of AX businesses such as AI, big data, and cloud computing serve as AI Genius program instructors to provide high-quality education to students. In addition, we have introduced a paid vacation system to support employees' volunteer activities.

AI Genius



Strengthening Contributions to Communities

LG CNS is strengthening its social contribution activities in the communities where its business sites are located. In 2025, we signed an MOU to help nurture future talent in Gangseo-gu, Seoul, and based on this agreement, we are offering the AI Genius program to elementary school students in Gangseo-gu in 2026.

AI Genius Program



Education for Schools in Rural Areas

To provide education opportunities to more students, LG CNS conducts AI education at schools in remote, rural areas. In 2025, we visited schools in rural areas such as Hwasun, Jeollanam-do and Chungju, Chungcheongbuk-do to conduct the program, and plan to provide education in the regions of Yanggu, Gangwon-do, Yecheon, Gyeongsangbuk-do, and Imsil, Jeollabuk-do in 2026.

Social Contribution

AI Genius Academy

AI Genius Academy is an educational program for high school students that is designed to nurture LG CNS's future software and AI talents. Since 2021, we have been selecting high school students from across the country who have a passion and talent for software and AI, providing them with specialized training in cutting-edge IT and mentoring. Through AI-based creative projects built on this foundation, we are directly helping students plan their career paths.

AI Open Class

This is the first course in the AI Genius Academy, where students naturally learn the basic principles and concepts of AI by solving around ten AI missions. We provide free online content about AI to high school students across the country. When students submit their assignments, professional mentors provide feedback. In 2025, we introduced a variety of customized AI courses, including Generative AI, Python, and physical computing, and added a data analysis course in 2026. By allowing students to choose the courses they want to take, we are providing education that is truly useful to them.

Boot Camp

This is the preparation stage for advanced AI projects. Participants gather at LG Science Park, where LG CNS headquarters is located, to select team project topics and set goals and plans. Through programs such as special lectures by LG CNS employees and training on how to write project reports, they share their thoughts about career and have opportunities to learn together.

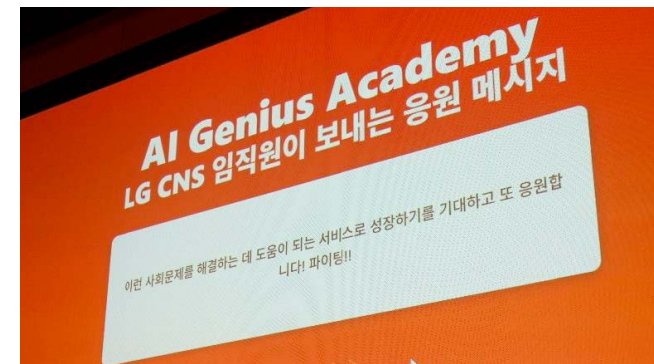
AI Advanced Project

During the AI Advanced Project period, students carry out various activities to complete their AI project. As they go through this stage and face different problem situations, they have opportunities to grow to the next level. To help students complete their projects, LG CNS provides software and AI training, hardware production support and expert mentoring.

AI Challenge Day

AI Challenge Day is an event at which students share the final project results from the AI Genius Academy and receive awards for outstanding work. LG CNS employees participate directly by voting to select the winning projects and encourage the students' dreams through messages of support. Through Challenge Day, students learn to embrace failure as part of the learning process and gain a sense of accomplishment by overcoming challenges. The LG CNS headquarters tour further inspires them while helping them explore future career opportunities. Throughout the AI Genius Academy program, LG CNS supports students on their journey to becoming future AI experts.

AI Genius Academy



Supply Chain Management

Governance

Sustainability Management Policy for Partner Companies

LG CNS operates a system that it uses to select, maintain, and manage outstanding partner companies based on fair and transparent criteria. Each year, we select partner companies based on objective evaluation criteria specified in relevant regulations (such as transaction performance, financial status, and collaboration levels), and systematically manage them through a four-tier management system that classifies them into the Strategic Group, the Partnership Group, the Transaction Group or the Potential Group. To support the stable operations and sustainable growth of our partner companies, we give them practical assistance in a range of areas, including finance, human resources, and technology. We work to foster an environment of shared growth in which large corporations and small and medium-sized enterprises can grow together by signing fair trade agreements, participating in shared growth index evaluations, and operating a dedicated organization for mutually beneficial cooperation.

LG CNS is committed to establishing a fair and transparent business environment based on laws and regulations, by faithfully adhering to the Korea Fair Trade Commission’s “Four Fair Subcontracting Practices” and using standard subcontracting contracts. We regularly monitor our compliance with subcontracting laws to identify areas for improvement and manage implementation, enhancing awareness of fair trade practices and strengthening a culture of compliance by providing subcontracting-related training to all employees.

In addition, since 2026 LG CNS has established and published a “Code of Conduct for Partner Companies” that is shared with all partner companies. We are continuously striving to foster a culture of responsible business practices by obtaining written pledges from partner companies to comply with the Code of Conduct throughout the course of their business transactions.

LG CNS Supplier Sustainability Management Policy

Management Policy	Key Points
Compliance with Laws and Standards	LG CNS complies with the laws and regulations of all countries and regions where we conduct business.
Human Rights and Labor Rights	LG CNS respects human rights throughout its supply chain and applies a zero-tolerance policy toward child labor, forced labor and discrimination.
Business Ethics	LG CNS prohibits corruption, conflicts of interest, and other such conduct in all sourcing activities and adheres to the principle of transparent transactions.
Occupational Health and Safety	LG CNS prioritizes the safety and health of workers not only at its own worksites but also across the business activities of its partner companies.
Environmental Sustainability	LG CNS makes efforts to use natural resources efficiently and minimize environmental impact.
Management of High-Risk Areas	LG CNS prohibits the use of services directly or indirectly associated with serious human rights violations.
Ensuring Sustainable Sourcing	LG CNS operates a risk-based due diligence process to manage supply chain risks.
Requirements for Partner Companies	Partner companies shall comply with LG CNS’s Supplier Sustainability Management Policy and Code of Conduct and shall ensure that the same standards are applied to their sub-partner companies.
Grievance Redress System	Stakeholders may raise issues related to human rights, ethics, the environment, or safety in connection with sourcing activities.
Implementation, Review, and Reporting	LG CNS regularly reviews this policy and discloses key achievements transparently through sustainability reports.

Compliance with Four Fair Subcontracting Practices

In accordance with the Korea Fair Trade Commission’s recommendations, LG CNS has incorporated the four key practices into its internal regulations to ensure compliance by all employees. We are committed to promoting fair trade by posting these guidelines on the partner portal, notifying relevant partner companies, and incorporating them into contracts.

Four Key Practices



- 1

Execution of appropriate contracts to promote a mutually beneficial cooperative relationship between large corporations and small and medium-sized enterprises
- 2

Fair selection (registration) of partner companies
- 3

Establishment and operation of an internal review committee for subcontracting
- 4

Proper issuance and retention of documents in subcontracting transactions

Strategies

Key Supply Chain Management Goals

LG CNS grants priority business opportunities to outstanding partner companies through annual regular evaluations, conducts regular anti-corruption audits based on its partner company anti-corruption policy (Code of Conduct), and verifies compliance, with the results factored into the evaluation as bonus or penalty points.

LG CNS also supports the internal growth of its partner companies through various support activities. This leads to higher project success rates and expanded business opportunities. In the long term, LG CNS aims to achieve sound growth together with its partner companies.

Technical Support and Protection for Partner Companies

LG CNS actively provides technical support and engages in exchanges with partner companies through joint R&D. To this end, we have established various systems, including the operation of a fair trade portal, the provision of trade secret certification services, and the execution of NDAs (Non-Disclosure Agreements), to take the lead in protecting the technology of our partner companies.

Supply Chain Management

Activities & Achievements

Supply Chain ESG Management

LG CNS provides partner companies with an ESG self-assessment, enabling them to conduct self-assessments. Based on this, we operate a supply chain ESG assessment and monitoring process. This systematic framework involves collecting self-assessment results, evaluating and analyzing them, identifying areas for improvement, and providing follow-up management and support.

The evaluation results are incorporated into our regular assessments through a bonus/penalty points system to encourage our business partners to improve their ESG management standards. We provide incentives to excellent partner companies, while for those with identified shortcomings, we offer improvement recommendations, customized training, and consulting services through various support programs to ensure tangible improvements are made.

In particular, we provide training on ESG management and assessments to our key partner companies. We prioritize ESG training for partners with lower assessment results and integrate these efforts with our social responsibility support programs.

Management Scheme	Target	Description
Supply Chain ESG Self-Assessment	Key partner companies (22 companies replied)	Environmental management, anti-corruption, labor and human rights, employment and anti-discrimination, working conditions, safety and health management, ethical management, etc.
Supply Chain ESG Training	High-risk partner company (1 company)	Training to improve understanding of ESG management and evaluation

Supporting New Talent Recruitment by Partner Companies

LG CNS is making a range of efforts to help small and medium-sized partner companies overcome their biggest challenge: securing software talent. We opened a dedicated online recruitment section for LG CNS partner companies on a major domestic job search website, creating a dedicated channel that allows job seekers to access information about these partner companies more easily and conveniently. Through this initiative, a total of 2,096 job postings, including ongoing recruitment for full-time and project-based positions at 39 partner companies, were posted throughout 2025, attracting a total of 42,784 applicants. Additionally, LG CNS operates the U-Camp software developer program to cultivate talent for our partner companies. Launched in 2006, the nine-week intensive software development training program targets prospective hires from partner companies. Outstanding talent who complete the program are immediately hired by partner companies upon finishing the training. In 2025, a total of 18 participants enrolled in the training program, all of whom successfully completed it. A portion of the training costs was covered by a government-supported grant of KRW 72 million from the "Win-Win Job Creation Program." To date, a cumulative total of 40 sessions of the U-Camp software developer program have been held, producing more than 1,000 new employees for partner companies and contributing to enhancing workforce competitiveness among small and medium-sized partner companies.

Supporting Competency Development for Partner Companies

LG CNS launched the Partner Companies Learning Center, an online education portal that is exclusively for partner companies. The portal provides free IT training in AI, big data, and cloud technology, as well as job-related training in personal data protection. In 2025, the portal offered a total of 204 courses, with 2,819 employees from partner companies completing the training.

Strengthening Communication with Partner Companies

To facilitate smoother communication with partner companies, LG CNS operates the "Partner Communication Lounge" within its PartnerPlus partner portal. Through this channel, partner companies can freely propose new business and consult on any issues or inconveniences that arise during collaboration. They can also request improvements regarding contract procedures, payment processes and other inconveniences.

LG CNS systematically manages all grievances submitted through the "Partner Communication Lounge." A total of 16 cases were received in 2025, and all 16 were resolved (100% resolution rate), ensuring that issues were addressed promptly and transparently.

Dedicated Website for Partner Companies (PartnerPlus)



Supply Chain Management

Gained the “Highest Rating” in the Shared Growth Index Evaluation

Through its shared growth initiatives, LG CNS has received the highest rating for eight consecutive years, from 2017 through the 2024 evaluation, and was selected as a “Best Honorable Company,” an accolade reserved for companies that have maintained the highest rating for three or more consecutive years. Through ongoing mutual growth and cooperation activities, we intend to continue demonstrating our outstanding capabilities in shared growth.

Plaque for being named a Best Honorable Company in the Shared Growth Index



Supporting a Good Working Environment for Partner Companies’ Employees

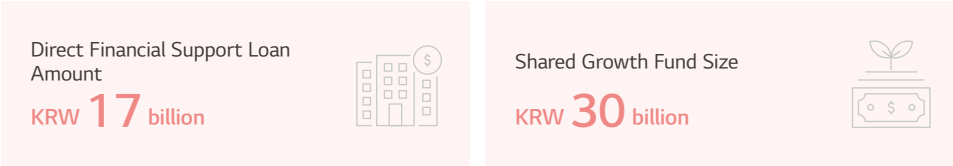
LG CNS provides direct and indirect management support to its partner companies. To help employees of partner companies working at the Magok LG Science Park with their commutes, we offer them access to the free commuter buses and Magok shuttle buses we provide to our own employees. As of 2025, these services had been used by partner companies’ employees a total of 50,483 times. In addition, we operate an online shopping website through which employees of partner companies can purchase LG products at discounted prices.

Improving Financial Support and Payment Terms

Since 2010, LG CNS has been providing financial support to its partner companies in strengthening their competitiveness by establishing funds with financial institutions and providing working capital, such as R&D expenses and investments in new businesses, to promote shared growth. In 2025, through a direct financial support program with a total fund size of KRW 17 billion, we provided KRW 8.2 billion in interest-free loans to 10 companies. Through our KRW 30 billion Shared Growth Fund, LG CNS provided KRW 17.6 billion in loans to 58 companies. In addition, LG CNS processes subcontractor payments four times a month and pays the full amount in cash within 15 days of inspection.

Status of Financial Support for LG CNS Partner Companies

Direct Financial Support	• LG CNS self-created fund • Interest-free loans, KRW 17 billion in fund size • Extended loans totaling KRW 8.2 billion to 10 companies
Shared Growth Fund	• A fund created jointly with a financial institution (IBK) based on LG CNS deposits • Interest rate reduction, KRW 30 billion in fund size • Extended loans totaling KRW 17.6 billion to 58 companies
Network Loan	• Low-interest loan support based on transaction history with LG CNS



Subcontracting Training

LG CNS provides all employees with systematic training on compliance requirements and the latest subcontracting trends. We also engage in ongoing monitoring to prevent violations of fair trade laws, and proactively manage fair trade risks by incorporating the findings of these monitoring activities into improvements to business processes and systems.

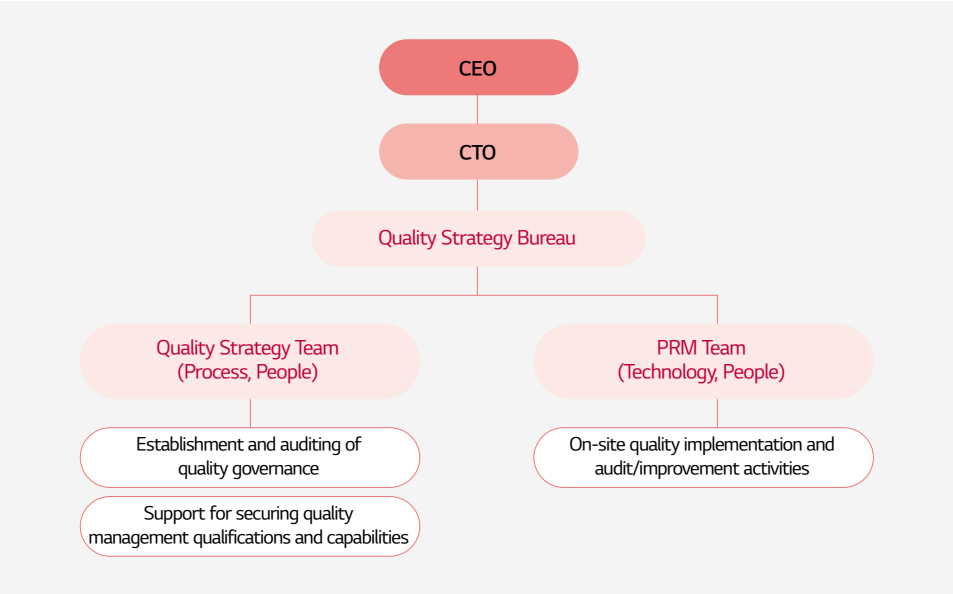
Quality Management

Governance

Quality Management System

Under the value of “One Quality, The Best Quality,” LG CNS operates an enterprise-wide quality management system as a quality enabler that secures client trust through quality innovation and data insights while leading future change. We continuously engage in activities to improve quality, centered on the Quality Strategy Team, which establishes quality governance based on our quality policy and provides support for acquiring quality management qualifications and capabilities, and the PRM Team, which conducts on-site quality implementation audits and improvement activities.

Enterprise-wide Quality Management Organization



Quality Policy

LG CNS has established a proactive quality assurance and risk management system, which is essential for delivering high-integrity DX and AX services. We have established and implemented a quality policy to ensure that all employees recognize and prioritize quality as our top value, and every employee performs their duties with a clear understanding of quality. Specifically, we define quality values from three perspectives and have declared nine rules of action to ensure that we deliver the highest value to our clients, and we comply with these practices.

Enterprise-wide Quality Policy

1 Purpose
(Quality Management)

The Best IT Service Technical Capabilities

3 Values
(Quality Values)

Client	Innovation	Trust
Growing together with clients through clients' business success	Constant effort for quality innovation	Trust and responsibility with stakeholders in the work process

9 Practices
(Rules of Action)

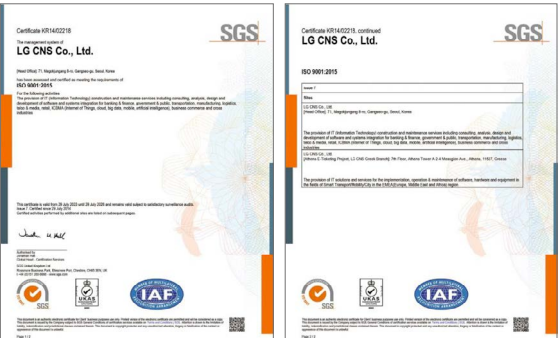
Proposal of client value based on business understanding	Goal-oriented thinking and continuous self-development	Keeping one's word with stakeholders
Leading quality based on technological competency	Right planning and quick feedback	Respect for and cooperation with colleagues
Communicating based on understanding the clients	Recollecting past experiences for future growth	Responsibility for social contribution

Quality Management

Quality Management Certification Status

LG CNS obtained ISO 9001 (Quality Management System) certification for all its business sites in July 1994 and has successfully undergone numerous follow-up audits and recertifications. With more than 30 years of certification expertise, LG CNS employees continuously refine standardized business processes to provide clients with the best DX and AX services.

ISO 9001 Certification



1) Indicates that all certified business sites have been certified by third-party institutions

Scope of Certification
Entire business sites

Validity Period
2023-2026

Rate of certification through third-party institutions¹⁾
100%

Risk & Opportunity Management

Quality Risk Management

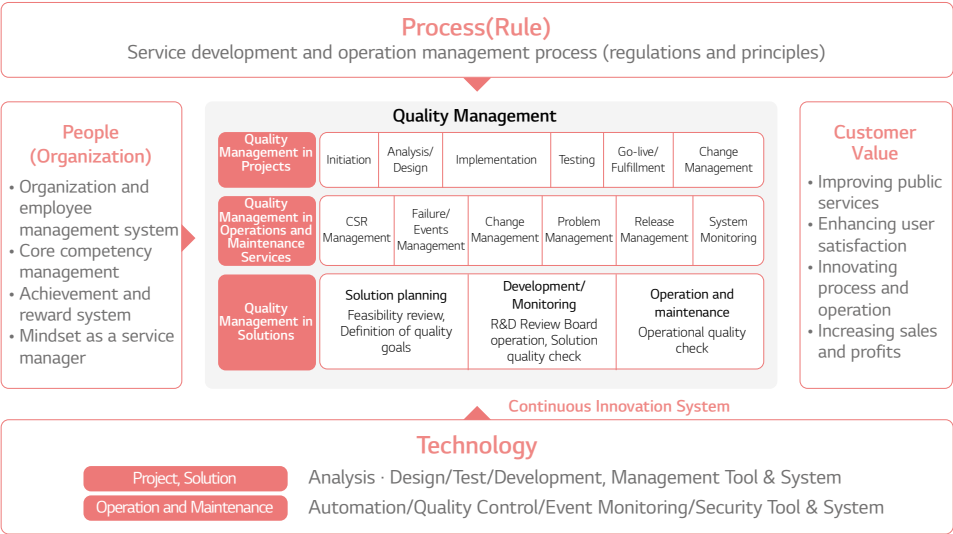
LG CNS systematically identifies and manages non-financial risks that may arise throughout the entire development cycle of IT services and solutions, including digital transformation (DX), cloud, and AI, by operating development and validation processes through enterprise-wide collaboration. In addition, starting from the initial stages of development, relevant departments, including R&D, architecture, information security, quality, operations, and legal and compliance, work together to proactively review key risks, including environmental and social factors.

Strategies

Quality Management Operation System

LG CNS has adopted an integrated quality management system that combines people, processes, and technology to ensure quality in all business areas, including project execution, operation and maintenance, and solutions development, thereby providing clients with consistently reliable, top-quality services.

Integrated Quality Management System



Quality Management Process

Category	Detailed Process
Project	• Operate a systematic process to proactively identify, resolve, and manage project risks • Create "Project Implementation Regulations" to be followed at project sites and establish a continuous monitoring system • Engage in continuous improvement efforts to maintain internal quality based on process
Operation/Maintenance	• Establish essential requirements for operation and maintenance services to provide clients with integrity, stability, and reliability of uninterrupted IT services • Operate an E2E (End-to-End) quality system that combines proactive detection, real-time event monitoring after a failure and an immediate response system
Solution	• Operate a solutions management system covering all stages from planning to development, operation, and maintenance • Consistently manage the quality of solutions and products released to provide high-quality solutions to clients

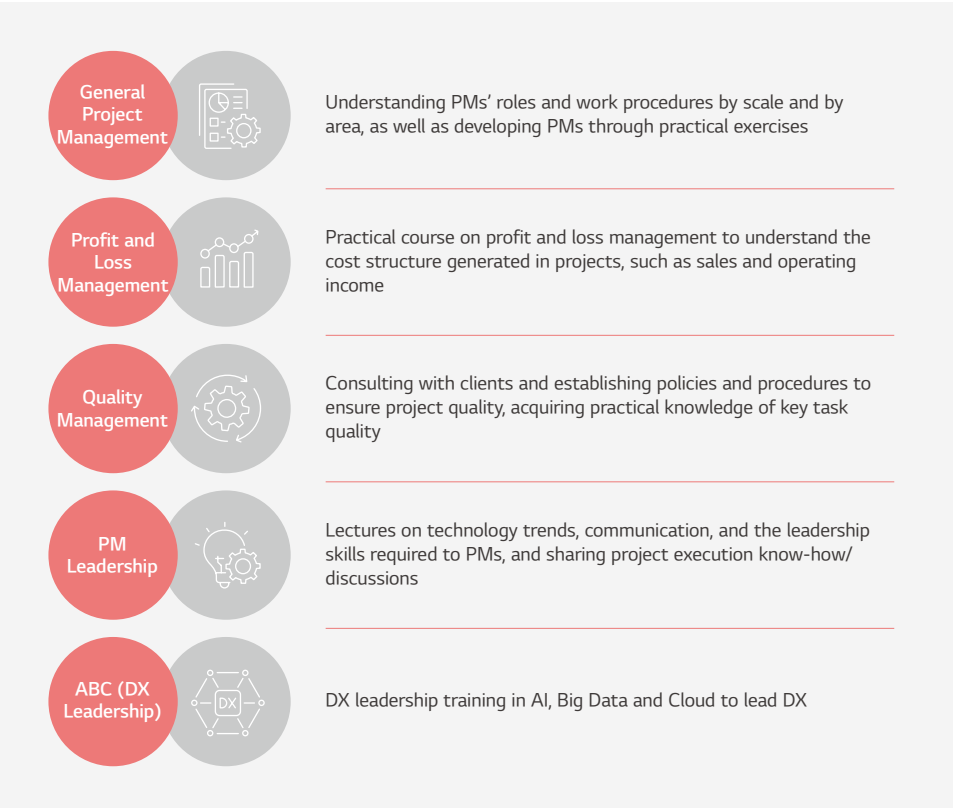
Quality Management

Activities & Achievements

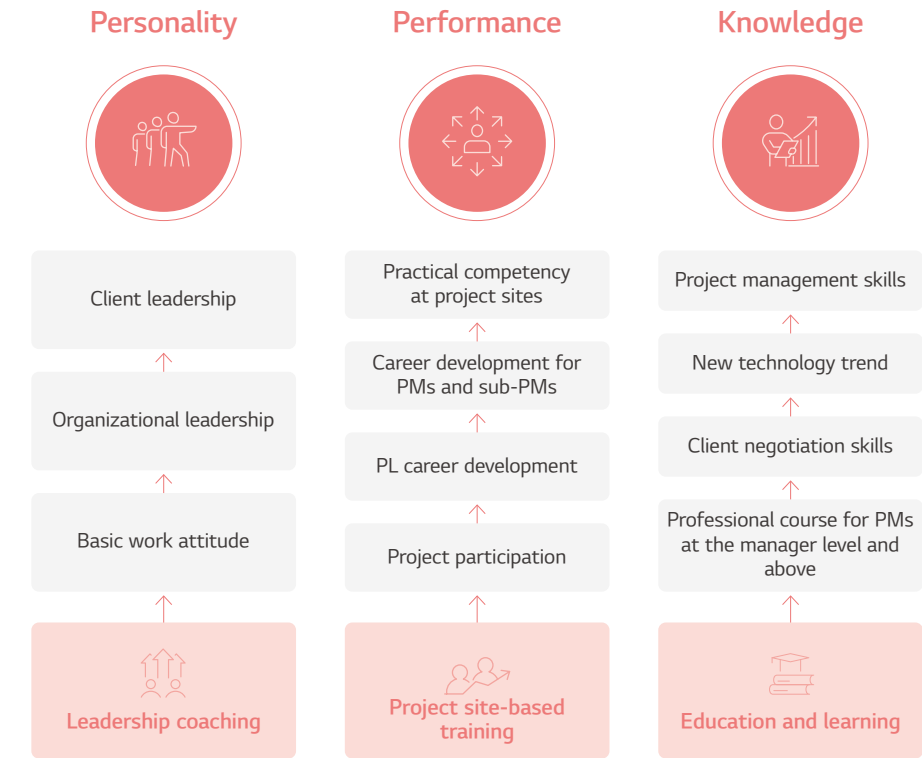
Strengthening Quality Competitiveness Through Enhanced PM Competency

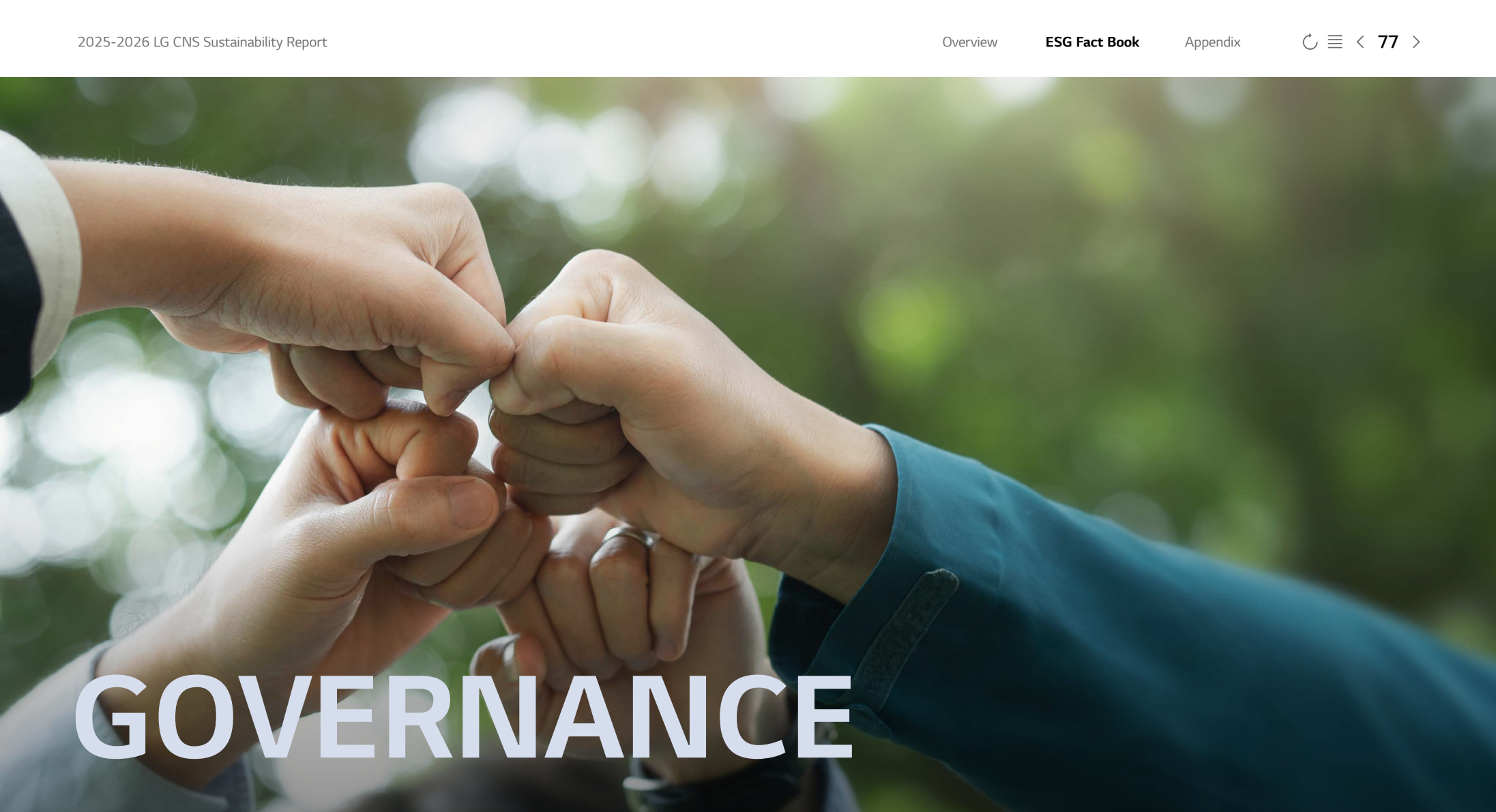
LG CNS is systematically nurturing Project Managers (PMs) in order to become a true DX partner for our clients. Going beyond the mere acquisition of theoretical knowledge, we disseminate a project management approach centered on our extensive business execution data and case studies of both successes and failures. In addition, to objectively measure PMs' expertise and support their continuous growth, we operate a PM competency development program, a PM expert certification program, and a PM evaluation system.

PM Education System



PM Competency Development Model





GOVERNANCE

78	Corporate Governance	89	Jeong-Do Management
81	Risk and Crisis Management	91	Stakeholder Communication
86	Compliance		

Corporate Governance

Board of Directors

Composition of the Board of Directors

The board of directors of LG CNS serves as the company's highest decision-making body. It makes decisions on matters stipulated by laws and regulations and the Articles of Incorporation, as well as on important management issues and the execution of business operations, and thoroughly oversees the management in the performance of their duties. LG CNS's board of directors consists of a total of seven directors (two executive directors, one non-executive director, and four independent directors). By ensuring that a majority of the directors (four) are independent directors, LG CNS has established a strong system of checks and balances on management. In addition, to enhance the transparency and efficiency of its corporate management, LG CNS operates the Audit Committee, the Internal Transactions Committee, the ESG Committee, and the Independent Director Nomination Committee, with all committee chairs being independent directors. As of June 2026, we have appointed Ho-young Lee, an independent director, as board chairperson, thereby further strengthening the board's independence and its role in providing checks and balances on management. This measure is intended to establish an advanced corporate governance framework as a publicly traded company and we expect it will enable the board to oversee management's execution of duties more objectively and to reflect the interests of shareholders and stakeholders in a balanced manner.

Position	BOD Composition following the 2026 Annual Meeting of Shareholders					
	Name	Gender	Credentials	Term	Initial Appointment	Remarks
Independent Director	Ho-Young Lee	Male	• (Current) Professor at School of Law, Hanyang University • (Former) Director for Litigation, Korea Fair Trade Commission	3 years (until the 2027 Annual General Meeting)	October 2024	BOD Chairperson, Chairperson of the Internal Transaction Committee
Executive Director	Shin-Gyoon Hyun	Male	• (Current) CEO of LG CNS • Completed Ph.D. coursework in Statistics at the University of Wisconsin	3 years (until the 2029 Annual General Meeting)	March 2023	CEO
	Kwang-Ryun Song	Male	• (Current) LG CNS CFO • (Former) HSAD CFO	2 years (until the 2028 Annual General Meeting)	March 2026	CFO
Non-Executive Director	Beom-Jong Ha	Male	• (Current) President & Head of Business Support Division, LG Corp	3 years (until the 2028 Annual General Meeting)	March 2025	-
Independent Director	In-Moo Lee	Male	• (Current) Professor of College of Business, KAIST • (Current) Independent Director of GS Retail	3 years (until the 2027 Annual General Meeting)	October 2024	Chairperson of the Audit Committee
	Sung-Joo Lee	Female	• (Current) Professor of Industrial Engineering, Seoul National University • (Former) Professor of Industrial Engineering, Ajou University	3 years (until the 2029 Annual General Meeting)	October 2024	Chairperson of the ESG Committee
	Hwan Chung	Male	• (Current) Professor of Department of Statistics, Korea University • (Former) Associate Professor of Department of Statistics, Ewha Womans University	3 years (until the 2029 Annual General Meeting)	October 2024	Chairperson of the Independent Director Nomination Committee

Director Appointment Process

Directors are appointed at the shareholders' meeting through a transparent and fair process, in accordance with the relevant laws, regulations, and the Articles of Incorporation. To appoint the CEO, the board of directors recommends a candidate deemed suitable for the role of Chief Executive Officer based on experience and competence in business and job duties, as well as possession of the capabilities and leadership necessary to execute mid- to long-term business strategies. For independent directors, candidates are identified through a rigorous screening and recommendation process conducted by the Independent Director Nomination Committee to ensure their independence and expertise. They are also thoroughly reviewed to verify that they have no disqualifying factors under the Commercial Act. Internal and non-executive directors are ultimately appointed through a resolution of the shareholders' meeting following a recommendation by the board of directors.

Ensuring the Expertise of the Board of Directors

Given the company's position as a leader in DX (Digital Transformation), AX (AI Transformation), and other IT services, the board of directors is appropriately composed of top experts in various fields, including industry, finance/accounting, and law. Directors Sung-Joo Lee and Hwan Chung are industry experts who have authored numerous papers in AI- and AX-related fields. Director In-Moo Lee is an expert in finance, accounting, and IT services and serves as the Audit Committee Chair. Director Beom-Jong Ha is a financial expert who currently serves as President and Head of the Business Support Division at LG Corp. Director Ho-Young Lee has served as President of the Korean Competition Law Association, a member of the Competition Policy Advisory Committee of the Korea Fair Trade Commission, and a director of the Korea Fair Trade Mediation Center. Leveraging his extensive experience in both industry and academia, he serves as the Board Chair. To further enhance the expertise of its Independent Directors, LG CNS also operates an annual in-house program covering business performance, the environment, and strategy.

Board Skill Matrix

Expertise	Ho-Young Lee	Shin-Gyoon Hyun	Kwang-Ryun Song	Beom-Jong Ha	In-Moo Lee	Sung-Joo Lee	Hwan Chung
	Independent Director	Executive Director	Executive Director	Non-Executive Director	Independent Director	Independent Director	Independent Director
Finance			●	●	●		●
Global business		●		●			
Leadership	●	●	●	●	●	●	●
Crisis management	●	●		●	●		
Industry of LG CNS (IT Services)		●			●	●	●

Corporate Governance

Ensuring the Diversity of the Board of Directors

LG CNS values diversity in the board of directors as it believes it can help the Board to respond flexibly to the rapidly changing business environment and incorporate various stakeholder perspectives. When appointing directors, we do not discriminate based on social background, including gender, religion, nationality, ethnicity, or race. Instead, we consider candidates' diverse backgrounds and expertise in key management issues and business operations and their compliance with the eligibility requirements for directors as stipulated by relevant laws and regulations. We plan to continue to increase the diversity of our board of directors in the future.

Strengthening the Board of Directors' Independence and Preventing Conflicts of Interest

To support transparency in its corporate governance, LG CNS prioritizes the independence of its board of directors. We ensure that a majority of its board members are independent directors. As a way of maximizing the oversight function through the separation of management and the board, the board of directors passed a resolution on March 24, 2026, appointing an Independent Director as the sole Chair of the Board. This measure was implemented to ensure the board of directors' independence and further strengthen its role as a check on management. All of our independent directors meet strict independence criteria, and must confirm that they have no material conflicts of interest with the company or its major shareholders. The Board operates under a system that restricts directors' voting rights regarding Board resolutions if they have a conflict of interest, minimizing potential conflicts between directors and the company.

LG CNS strictly enforces the duties of care and loyalty of its directors, in order to strengthen the responsible management of the board of directors. To encourage the board of directors to make proactive and responsible decisions, LG CNS does not apply any limitations on liability under the Articles of Incorporation or insurance policies in cases where the company suffers damages due to a director's willful misconduct, gross negligence, dereliction of duty, embezzlement, or other illegal acts, except for legally recognized exceptional reasons for liability exemption. Moving forward, we aim to enhance corporate sustainability and increase shareholder value based on firm principles of responsible management.

Operation of the Board of Directors

The board of directors serves as the Company's highest-level decision-making body. The Board holds regular meetings and convenes special meetings as needed to deliberate on and resolve major management issues. In 2025, the Board held seven meetings, at which it addressed 38 agenda items (14 items for reporting and 24 items for approval). The Board maintained a 100% attendance rate among independent directors. To facilitate thorough review of agenda items by the directors, relevant materials are distributed in advance of Board meetings and preliminary briefings are conducted.

Activities of the Board of Directors

Year	BOD Meeting	Date	Agenda	
2025	1 st	Feb 4	Items for Reporting	1. Report on the operational status of the Internal Control over Financial Reporting
			Items for Approval	2. Report on financial results for Q4 2024
	2 nd	Feb 20	Items for Reporting	1. Approval of the 38th fiscal year financial statements and business report
			2. Approval of the 2025 business plan	
			Items for Reporting	1. Report on the evaluation results of the operation of the Internal Control over Financial Reporting
			2. Report on the operational status of the compliance control system	
			Items for Approval	1. Approval of the 2025 occupational safety and health plan
			2. Approval of the convening of the 38th Annual General Meeting of Shareholders and the purpose of the meeting	
	3 rd	Mar 21	Items for Approval	3. Approval of the appointment of an executive officer
			4. Approval of transactions with related parties	
			5. Approval of the closure of the Qatar branch	
			6. Approval of the closure of the Malaysia branch	
			Items for Reporting	1. Report on the audit results of the personal credit information management and protection
	4 th	Apr 30	Items for Reporting	1. Appointment of the Chair of the Board of Directors
			2. Approval of director compensation payment	
			Items for Approval	3. Approval of amendments to the Executive Officer Personnel Management Regulations
	5 th	Aug 6	Items for Reporting	4. Approval of performance incentive payments for executive officers
			5. Appointment of committee members within the BOD	
Items for Reporting			1. Report on financial results for Q1 2025	
6 th	Oct 23	Items for Reporting	2. Report on the results of the ESG Committee meeting	
		3. Report on the Results of the Independent Director Nomination Committee Meeting		
		Items for Approval	1. Approval of amendments to the Board of Directors Regulations	
7 th	Nov 27	Items for Reporting	1. Report on financial results for Q2 2025	
		2. Report on the results of the Internal Transactions Committee meeting		
		Items for Reporting	1. Approval of an interim dividend	
		2. Approval of the closure of the credit information business		
		3. Approval of the establishment of a branch in the Philippines		
		Items for Reporting	1. Report on financial results for Q3 2025	
		2. Report on the results of the Independent Director Nomination Committee meeting		
		Items for Reporting	1. Report on the results of the independent audit regarding the performance of anti-money laundering and counter-terrorist financing activities	
		2. Annual report on the treatment of retiring executives		
		3. Report on the results of the ESG Committee meeting		
Items for Approval	1. Approval of the LG trademark usage agreement			
	2. Approval of the introduction of an electronic voting system			
	3. Approval of the 2026 business plan			
	4. Approval of related-party transactions with affiliates and others			
	5. Approval of transactions for goods and services with affiliates			
	6. Approval of the total transaction limit with related parties			
	7. Approval of the appointment of an executive officer			

Corporate Governance

Director Compensation

The CEO of LG CNS is compensated based on an evaluation of quantitative metrics, such as the company's sales and operating profit from the previous year, as well as qualitative metrics, including the fulfillment of mid- to long-term expectations and contribution to the company.

Committees within the Board of Directors

Audit Committee

The Audit Committee of LG CNS audits accounting, operations, and the performance of directors' duties. The committee plays an active role in internal control by requesting reports on business operations, investigating the company's operations and financial status, and receiving reports on the status of external audits. The committee reviews matters that may affect the independence of external auditors in accordance with the regulations, and external auditors obtain approval from the committee prior to conducting non-audit services. To ensure the independence of the committee, LG CNS has appointed all committee members as independent directors; to strengthen the committee's expertise, we requested that an external accounting firm provide regular training on recent accounting oversight trends. The chairperson of the Audit Committee is an accounting or finance expert and is responsible for monitoring and checking the company's major management matters.

Internal Transactions Committee

The Internal Transaction Committee of LG CNS deliberates on transactions between affiliates that require approval from the BOD under the relevant laws and regulations, including transactions with the largest shareholders and related parties under the Commercial Act, transactions subject to regulations on the provision of unfair assistance under the Monopoly Regulation and Fair Trade Act, and other internal transactions requiring the BOD's approval under other laws and regulations. LG CNS has appointed independent directors as a majority of committee members to enhance fairness in transactions and transparency in corporate management by strengthening internal controls.

Independent Director Nomination Committee

LG CNS has established and operates an Independent Director Nomination Committee to recommend independent director candidates in accordance with the provisions of the Commercial Act and the Articles of Incorporation. To ensure fairness and independence in the appointment of independent directors and the operations of the committee, the committee consists of two independent directors and one non-executive director, with independent directors constituting the majority of its members, in accordance with the committee regulations.

ESG Committee

In October 2024, LG CNS established the ESG Committee, its highest decision-making body for ESG management, to strengthen its ESG management and achieve sustainable long-term growth. The ESG Committee establishes basic policies and strategies for ESG management and sets mid- to long-term goals to advance corporate governance, strengthen social responsibility, and enhance shareholder value. It also deliberates on and resolves matters related to the performance of management activities, including environmental management, human capital management, and risk management. The ESG Committee receives reports on overall matters, including the identification of risks and opportunities affecting the company through a review of material issues that takes place once in the first and once in the second half of each year (or whenever necessary). In 2025, the ESG Committee was held in March and October. The ESG Committee consists of all independent directors and the CEO, and an independent director has been appointed as chair to ensure the committee's independence.

Status of Committees

● Chair ○ Member

Category	Name	Gender	Audit Committee	Internal Transactions Committee	Independent Director Nomination Committee	ESG Committee
Independent Director (BOD Chair)	Ho-Young Lee	Male	○	●		○
	Shin-Gyoon Hyun	Male				○
Executive Director	Kwang-Ryun Song	Male		○		
	Beom-Jong Ha	Male			○	
Non-Executive Director	In-Moo Lee	Male	●	○		○
	Sung-Joo Lee	Female	○	○	○	●
	Hwan Chung	Male	○		●	○

Activities of committees Within the Board of Directors

Committee	Unit	2025
Audit Committee	Meeting	6
Internal Transactions Committee	Meeting	2
Independent Director Nomination Committee	Meeting	1
ESG Committee	Meeting	2

Risk and Crisis Management

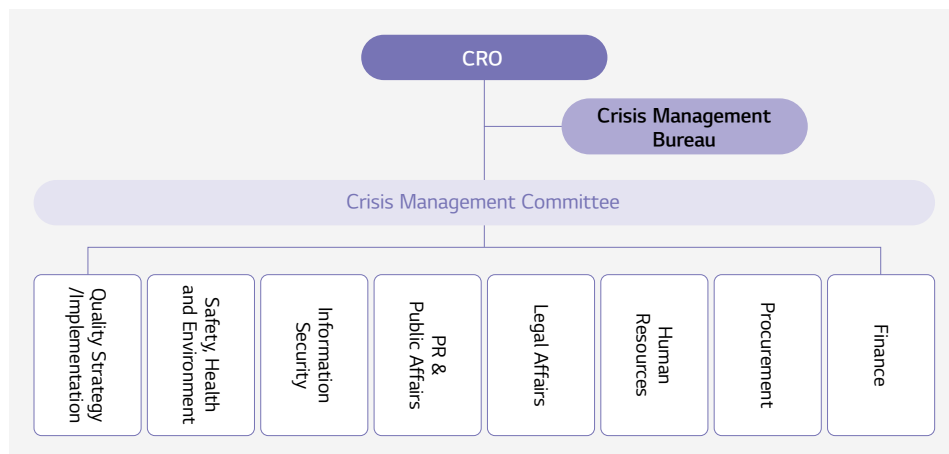
Governance

Enterprise-wide Risk and Crisis Management Governance

In line with the LG Group's crisis management strategy, LG CNS appointed a Chief Risk Officer (CRO) in 2021 to establish an enterprise-wide risk management system for crises, and has been continuously working to enhance its enterprise-wide crisis management framework, including by establishing the Crisis Management Bureau in 2024.

Under normal circumstances, the crisis management organization operates as a unified, enterprise-wide consultative body referred to as the Corporate Crisis Management Committee, which refines crisis response systems for each sector and carries out preventive activities. The committee is the company's highest decision-making body, responsible for discussing and approving the overall operation of the crisis management system, including determining enterprise-wide crisis management policies and reviewing the crisis response systems of each sector. The Crisis Management Committee, which meets once every quarter, has the CRO as its chairperson and key executives from risk-owning organizations as each sector member to ensure efficient decision-making. Through the Corporate Crisis Management Committee, the CRO and the Crisis Management Bureau identify enterprise-wide core risks that could escalate into crises and require immediate attention, regularly reviewing the effectiveness of core risk mitigation plans and monitoring their implementation status. In addition, to establish a system for efficiently managing hidden risks throughout the company, we have clearly defined the roles and responsibilities (R&R) among the relevant organizations responsible for enterprise-wide risk management, including the Compliance Committee, the Jeong-Do Management Unit, various sectors, and the Crisis Management Bureau, ensuring the efficient operation of our work processes.

Enterprise-wide Crisis Management Organization

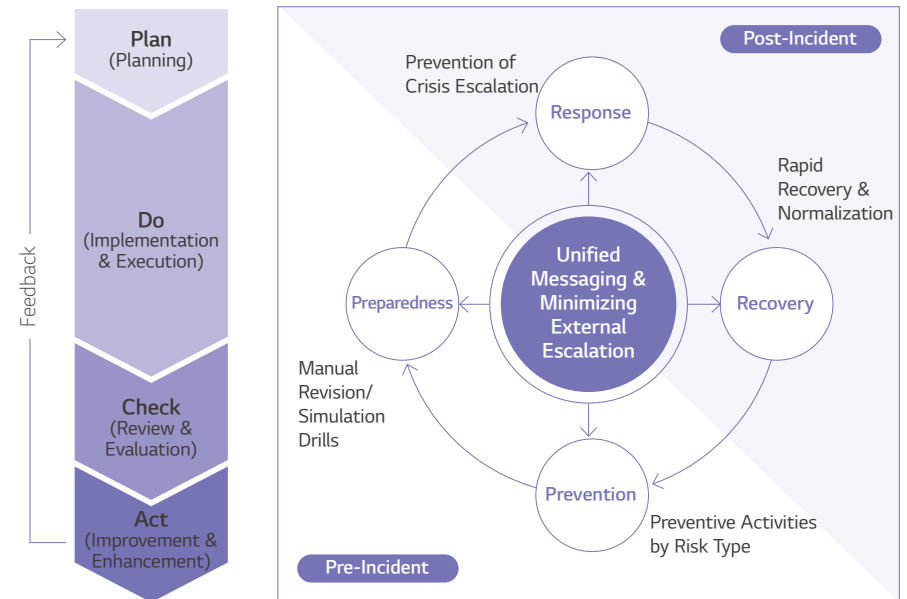


LG CNS Risk Management Framework

Based on the LG Group's standard crisis management framework, LG CNS has developed systems and processes across the "Plan-Do-Check-Act" domains to address potential risks, and is strengthening our execution capabilities.

In particular, we are identifying areas for improvement by reviewing the operation of the crisis management system and updating the Plan-Do-Check-Act cycle. Through this cycle, we focus our efforts on enhancing crisis management enterprise-wide, from risk prevention to response. The aim of this process is to prevent incidents and accidents that could seriously impact business continuity, our reputation, and relationships with key stakeholders, and to minimize damage in the event of a crisis.

Crisis Response Process based on the Plan-Do-Check-Act Framework



Risk and Crisis Management

Risks & Opportunities Management

Risk Management and Operational Framework

LG CNS manages risks in each area, both to prevent them where possible and to ensure a swift and effective response in the event of a crisis. We strengthen our enterprise-wide risk management system to identify and mitigate potential risks before they escalate into crises, while working closely with relevant organizations to support risk mitigation activities. Key risk owner organizations are those that oversee quality strategy/implementation, safety, health and environment, information security, PR and public affairs, legal affairs, human resources, procurement, and finance. Under normal circumstances, risk management is primarily handled by these respective sectors and response teams, and regular risk assessment activities are conducted to identify, evaluate, and mitigate risks. In emergencies, the CRO and the Crisis Management Bureau support risk management activities enterprise-wide, and this series of activities is shared with the Crisis Management Committee for ongoing management.

At the same time, under the leadership of the enterprise-wide Compliance Committee, we manage key risks in core areas such as anti-corruption, fair trade, human resources/labor relations, subcontracting, safety/health, information security, and investor relations.

In the quality area, we perform project risk management activities such as pre-bid risk assessment, implementation risk assessment and the early identification and resolution of project site risks. We also conduct SM (System Maintenance) Excellence activities to inspect SM service quality and prevent system failures.

For data centers, which are core facilities of the company, we have established a risk management system for critical business operations and services that should not be interrupted, or that require the highest priority for recovery if interrupted.

Enterprise-wide Risk and Crisis Management Governance

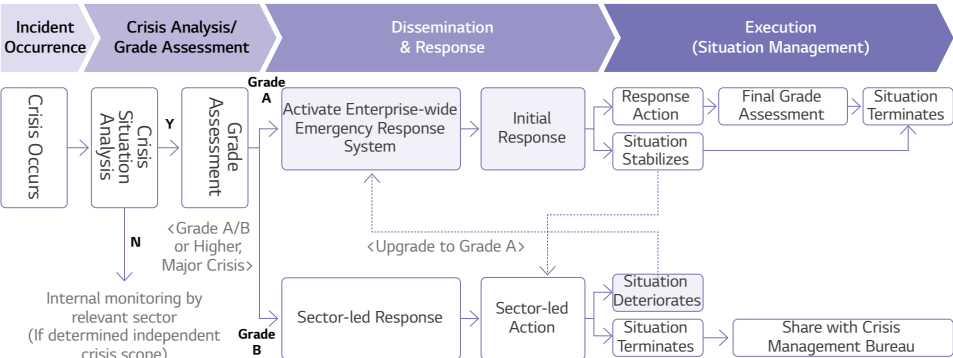
LG CNS identifies the inherent risks in our business operations and implements improvement measures to mitigate risks and prevent crises during normal times. When a crisis occurs that could seriously impact business operations, we aim to prevent escalation through a pre-established system of rapid and transparent communication and response, with the goal of achieving swift recovery and a return to normal operations.

For crises related to quality, information security, safety and health, and compliance, we implement activities to mitigate potential risks; in the event of an incident or accident, or a serious crisis requiring an enterprise-wide response, we take follow-up actions, such as reporting, disseminating information, and issuing on-site guidelines in accordance with established procedures. We regularly review our response systems in collaboration with key risk owner organizations, and have activated an enterprise-wide emergency response system to ensure a swift and effective response to major crises.

In cases requiring an enterprise-wide response, such as those involving significant scale, social impact, or emerging risks, we convene the enterprise-wide Emergency Response Committee to address the situation. We also define the roles of relevant organizations and collaborate to convey a consistent message to internal and external stakeholders, including employees, shareholders, the media, and the holding company. If an incident or accident occurs, we ensure the rapid and simultaneous dissemination and reporting of information while taking proactive measures to prevent risks and stop the crisis from spreading externally.

When a crisis occurs, we identify the root cause and assess potential risks based on the extent of the damage, then establish and implement crisis response measures and preventive actions to prevent recurrence. To prevent similar crises from occurring in the future, we share the causes of incidents and preventive measures with all employees and deploy these across all business sites.

Enterprise-wide Serious Crisis Response Process



Risk and Crisis Management

Strategies

Risk and Crisis Management Goal

To ensure alignment with our company's specific circumstances, LG CNS continuously revises and refines the criteria for assessing crisis factors, such as quality and information security, and the criteria for determining crisis levels (A to D). We classify incidents or accidents that could damage our business or corporate reputation as major crises. Based on key crisis factors and crisis level assessment criteria, we comprehensively evaluate our management, the severity of damage, stakeholders, and the potential for the issue to spread to determine whether to activate the enterprise-wide crisis response system and execute the necessary actions.

LG CNS conducts an annual self-assessment of its crisis management system level (maturity) using the Group's crisis management system standard model maturity checklist. On the LG Group's Level 5 crisis scale, we have achieved and maintained Level 3. Going forward, we will continue to improve our crisis management system by holding quarterly Corporate Crisis Management Committee meetings and conducting enterprise-wide mock drills in the first and second halves of the year, as well as by performing activities to raise employee awareness of crisis management.

Risk Management Incentive

LG CNS is conducting a zero-failure challenge for SM (System Management) teams. We comprehensively evaluate the performance of the teams that achieve zero failures during the challenge period and present an award to the team with the highest evaluation result.

Key Crisis Factor Management

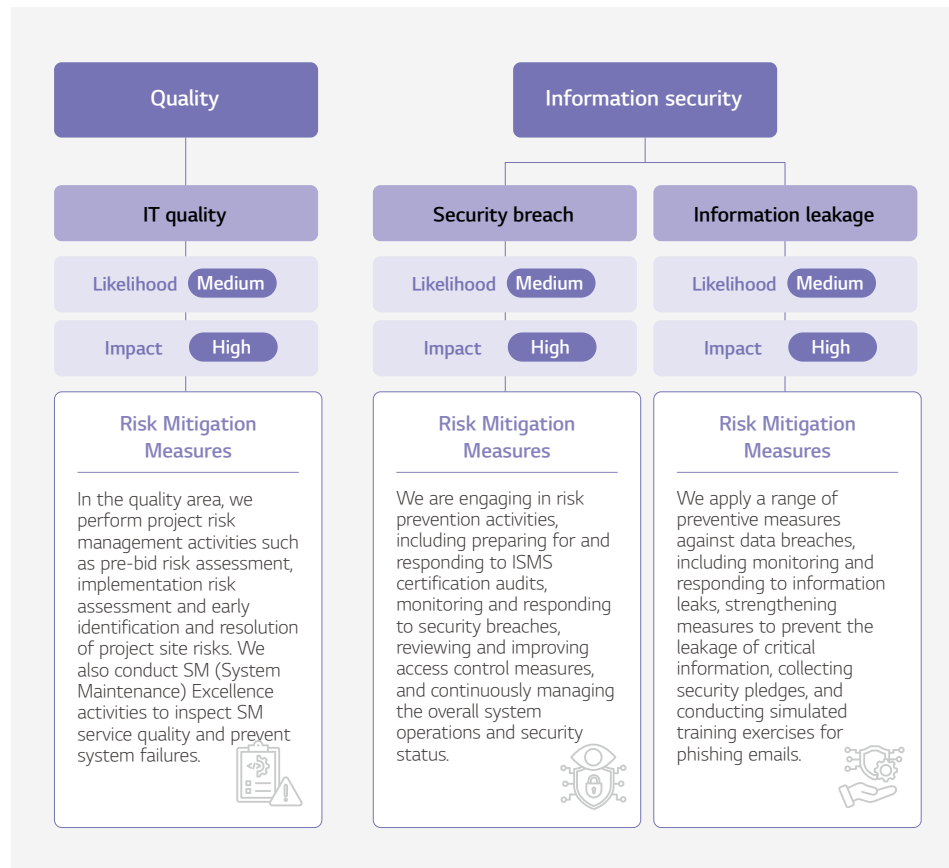
The Crisis Management Bureau, under the CRO, analyzes the likelihood and impact of potential crises annually in accordance with group standards, identifying key crisis factors that could seriously affect our business operations. Based on this, we update the LG Crisis Map annually and continue to identify various high-probability risks.

LG CNS Crisis Map

Crisis Category	Crisis Type	Crisis Situation
Safety	Safety and health accident	- Injury : Serious accident such as death or serious injury as defined by the Serious Accidents Punishment Act - Fire/Explosion : Large-scale fire caused by flammable or explosive substances, electrical leakage, short circuit, etc. - Infectious disease : Outbreak of a new or unknown infectious disease that restricts business activities - Occupational disease : Occurrence of an occupational disease as defined by the Serious Accidents Punishment Act
	Natural disaster accident	- Floods, earthquakes : Human and material damage caused by natural disasters
	Facility/ Production facility (Utility) accident	- Facility collapse : Human and material damage caused by facility collapse
Quality	IT quality	- Service implementation quality : Project setbacks caused by issues occurring in high-risk projects or project issues/deficiencies due to delays in resolving defects during the testing or deployment phase, or delays in launching the service - Service operation failure : Interruption or delay in providing service to clients due to a serious failure in the operating system and SaaS services
Information security	Security breach	- Hacking/Network intrusion : Serious damage caused by data destruction and leakage
	Information leakage	- Personal data leakage : Serious damage caused by personal data leakage (legal non-compliance, compensation for damages) - Confidential information leakage : Serious damage caused by leakage of client/internal confidential data (legal non-compliance, compensation for damages)
Compliance	Fair trade	- Collusion : Punishment, sanctions, and media exposure due to agreement between businesses aimed at restricting competition - Unfair trade practices (including subcontracting) : Sanctions and media exposure due to unfair support in the form of significantly favorable conditions or substantial amounts
	Intellectual property rights	- Infringement/Disputes : Criminal or civil damages arising from intellectual property infringement/disputes
	Corruption or irregularities	- Anti-corruption : Punishment for violating anti-corruption laws (bribery, improper solicitation) and sanctions against inappropriate business entities
	Violation of laws and regulations	- Criminal/administrative case : Occurrence of a criminal/administrative case that has a significant impact on the company's management
HR/Labor	Employment	- Personnel accidents : Increased risk due to employee death, workplace discrimination, or harsh treatment
	Conflict of interest	- Labor-management conflict : Situation in which conflict escalates due to a discrepancy between employees' collective demands and company policy
	Regulatory/legal violations	- Strengthening labor relations laws : Corrective measures (including lawsuit and accusation) due to non-compliance with strengthened labor relations laws and regulations
Reputation	Reputation management	- Media issues (negative press coverage, social media, etc.) : Damage to reputation due to spread of negative public opinion - National Assembly/Government audit : Reputational damage caused by selection as witness and appearance at hearings
Purchasing	Credit/accidents of partner companies	- Bankruptcy (insolvency) of partner companies : Bankruptcy/insolvency of key partner companies collaborating on projects
Finance	Finance	- Financial incident : Large-scale overpayment or underpayment of funds, embezzlement or misappropriation
	IR	- Omission/Delay in public disclosure : Sanctions imposed due to omission, error, or delay in mandatory disclosures
Emerging Risk	Atypical	- Risks expected to arise due to external environmental changes (global trends, incidents/accidents, legal regulations, etc.) - Global political situations such as war/terrorism, natural disasters such as climate crises, policy changes, technological changes, etc.

Risk and Crisis Management

Risk Assessment Status



Emerging Risks

LG CNS has identified the two long-term (3–5 years or more) potential risks that are expected to have the most significant impact on our future business, and we are managing them by implementing countermeasures.

Emerging Risks	Description and Business Impacts	Countermeasures
① Rising operating expenses (OPEX) due to increased energy costs caused by geopolitical instability	Due to conflicts around the world, including instability in the Middle East, prices of energy, such as crude oil and natural gas, are experiencing high volatility. The intensifying geopolitical tensions, combined with the acceleration of digital transformation and the explosive growth in network traffic, are significantly increasing energy consumption in data centers and IT infrastructure, thereby increasing operational costs. Furthermore, since 2022, industrial electricity rates in Korea have surged by more than 75%, placing a heavy burden on businesses. This contributes to rising electricity costs and directly increases the risk of higher operating costs for LG CNS's data center and cloud services.	LG CNS has established an energy efficiency initiative for its data centers and is implementing mid- to long-term measures. • Maximizing cooling efficiency for AI servers through the implementation of liquid cooling systems • Reviewing the procurement of renewable energy sources such as solar and geothermal power
② Impact on the data center business due to the tightening of laws and regulations related to climate change	The government's tightening of climate-related regulations, including the Distributed Energy Act, stricter power system impact assessments, and strengthened emissions trading systems and greenhouse gas reduction obligations, is directly constraining the data center business, which consumes large amounts of electricity. In particular, the government is gradually increasing the proportion of paid allocations for carbon emission allowances based on corporate electricity consumption. However, it is difficult to secure sufficient renewable energy to address this. ¹⁾ Consequently, as our use of eco-friendly power remains limited, LG CNS, a company that operates data center-based businesses, is expected to face increasing financial burdens due to associated regulatory requirements.	In preparation for stricter regulations, LG CNS intends to analyze the government requirements identified during policy briefings and roundtable discussions, formulate strategies through the ESG Committee and other channels regarding the areas in which we need to prepare, and establish an internal response system. In addition, LG CNS has established an energy efficiency initiative for its data centers and is implementing the following as mid- to long-term measures. • Maximizing cooling efficiency for AI servers through the implementation of liquid cooling systems • Reviewing the procurement of renewable energy sources such as solar and geothermal power

1) As of 2025, renewable energy accounts for just over 10% of Korea's electricity generation.

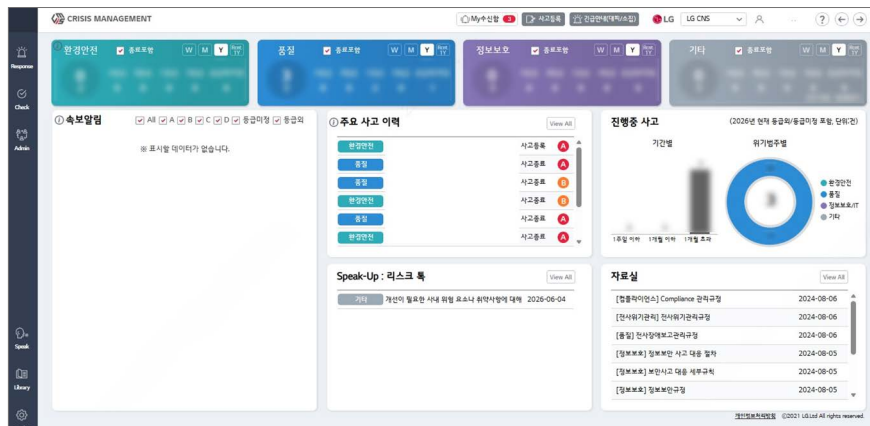
Risk and Crisis Management

Activities & Achievements

Operating Our Crisis Management Information System (CMIS)

Implemented in 2023, LG CNS operates a Crisis Management Information System (CMIS) to enable rapid communication, response and management during crisis situations. CMIS serves as an integrated platform that promptly disseminates information about issues or incidents to relevant departments, employees, and the holding company in accordance with predefined corporate crisis management standards and procedures. It also supports the centralized management and monitoring of crisis response records, response status, and outcomes throughout the entire response process.

Crisis Management Information System (CMIS) Dashboard Screen



Executing Enterprise-wide Crisis Response Simulation Drills

To strengthen its crisis response capabilities, LG CNS has been conducting crisis response simulation drills at both the departmental and enterprise-wide levels. We assess our readiness for crises by developing scenario-based exercises and conducting enterprise-wide, practical drills involving the Crisis Management Bureau, host organizations and relevant departments.

After each drill, we use the L&L (Losses & Lessons) approach to improve the effectiveness of our training. We will continue to provide ongoing awareness training and hold regular enterprise-wide drills based on realistic scenarios, to enhance crisis response awareness and operational effectiveness in the event of an actual crisis.

Enterprise-wide Crisis Response Simulation Drill



Risk Training for Independent Directors

LG CNS regularly holds risk management training sessions to help independent directors improve their risk management skills. All four of our independent directors attended and completed the 2026 training session in full.

Compliance

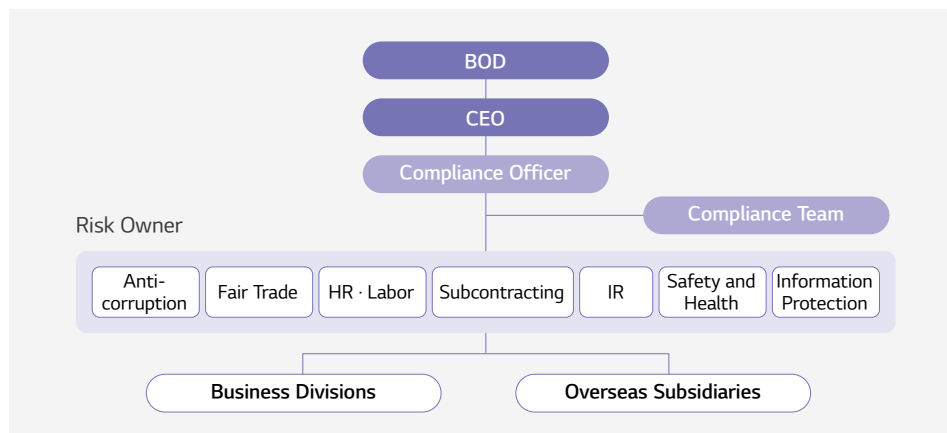
Governance

Compliance Management System

LG CNS engages in systematic prevention and inspection measures around compliance risks under the leadership of the Compliance Officer appointed by the board of directors, and regularly reports the details of these activities to the board. In addition, the Compliance Committee, chaired by the CFO, carefully reviews the development and implementation of risk management plans for each area, managing compliance risks by addressing key issues systematically.

Specifically, LG CNS has established a meticulous compliance management system that extends from the board of directors to operational departments. The board of directors oversees governance as a whole, including setting compliance control standards and making system improvements. The CEO is responsible for the overall direction of the establishment, maintenance and operation of the compliance control system. The Compliance Officer oversees practical compliance control aspects, including developing and implementing compliance education and training programs, inspecting and reporting on compliance status, and imposing sanctions on employees who violate compliance control standards. The Compliance Team serves as the secretariat for compliance support, formulating compliance policies and monitoring and reporting on their implementation. Risk owner groups design legal risk control measures, monitor the implementation of control activities and address issues, and conduct awareness-raising activities and inspections to prevent other legal risks. Business divisions check business status in accordance with annual business plans and implement matters discussed by the Compliance Committee, while overseas subsidiaries identify, assess, and manage risks specific to each entity and monitor business status.

Enterprise-wide Compliance Organization



CEO's Commitment

To fulfill its corporate social responsibilities and obligations, LG CNS is committed to practicing compliance management, and has publicly declared its commitment to compliance management both internally and externally through the CEO's Commitment.

2025 Compliance CEO's Commitment

CEO Commitment

Dear LG CNS employees,

Thank you for faithfully carrying out your responsibilities in your respective roles, even under difficult conditions.

Last year, we completed our compliance management framework as a listed company.

We also reported the status of our compliance control system, which was reviewed by external experts, to the board of directors and the ESG committee.

To embed a voluntary culture of compliance, we have continued a wide range of inspections and training programs.

This year, we will take the next step.

We plan to obtain certification for our compliance management system under ISO 37301 to further advance our compliance framework.

I ask for your active participation and attention.

Compliance management is one of the most proactive ways to protect our clients' valuable trust and to protect ourselves.

This matters even more in an increasingly uncertain business environment, where AI is accelerating, industrial structures are shifting, and exchange rate volatility has become routine.

As we pursue our three key priorities for 2026—securing AX and RX leadership, strengthening execution capabilities, and expanding our position in global markets—we must strictly comply with all applicable laws and regulations.

There must be zero tolerance for any illegal conduct.

In our work, we often face tension between "efficiency" and "principles."

We also know that abandoning principles for short term convenience can expose us to serious risk.

Recent cases of personal data leaks and industrial accidents have reminded us that we are not immune.

If we let our guard down even slightly, we could face the same consequences.

Employees of LG CNS,

Please make sure you clearly understand and comply with all relevant laws and regulatory requirements as you carry out your work, so that you are not exposed to legal risk.

I also ask that you carry out continuous checks and preventive activities thoroughly.

And when difficulties arise in the process of following the law and our principles, let us work together to resolve them proactively.

January 14, 2026 **President and CEO Hyun Shin-Gyoon**

Compliance

Anti-Corruption Policies and Regulations

LG CNS established and implemented the 「Code of Conduct for the Prevention of Overseas Bribery」 following its approval by the board of directors on March 12, 1999. It was subsequently revised and has been in effect as the 「Anti-Corruption Regulations」 since November 4, 2016, reflecting major domestic and international anti-corruption laws and regulations, and clarifying employees' compliance obligations.

[LG CNS Prohibition and Prevention of Corruption Policy and Regulation](#)

Compliance Certification Objective

LG CNS plans to obtain ISO 37301:2021 (Compliance Management Systems) certification by 2026. This certification will verify that our compliance control system operates effectively and in accordance with international standards and the relevant procedures. It will also officially confirm that we meet the compliance requirements of our domestic and international clients and stakeholders.

Risks & Opportunities Management

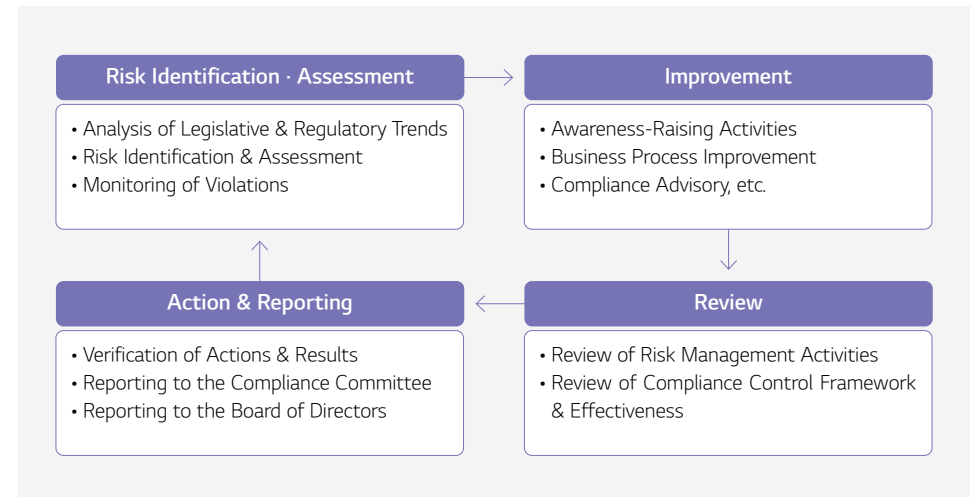
Compliance Risk Management

To ensure the systematic management of compliance risks, LG CNS has established 「risk profiles」 for each management area, including anti-corruption, fair trade, human resources and labor, investor relations, subcontracting, personal data, and safety and health, and continuously monitors the latest regulatory trends and changes in the business environment while carrying out regular risk reassessments. In particular, risks that could have a significant impact on the company's business operations are designated as "key risks" and managed as priority areas. Based on this system, we conduct an annual self-compliance review to promote a culture of voluntary compliance among employees. Any issues or vulnerabilities identified during the review are addressed immediately. We strengthen our compliance management system by regularly reporting the plans and results of all compliance activities to the board of directors, the company's highest decision-making body.

Compliance Program

LG CNS's Compliance Program aims to integrate the philosophy of compliance management into all business operations. The Compliance Officer, who is appointed by the board of directors, manages the entire compliance control system, including legal risk assessments, compliance training, and inspections, on an ongoing basis, in accordance with the authority and duties outlined in the Compliance Control Standards. In addition, we ensure transparency by obtaining objective evaluations of our compliance with regulatory standards and the effectiveness of our compliance framework from external specialized agencies, and by reporting the results to the board of directors. The Compliance Management Regulations define the responsibilities and obligations of the company and its employees regarding compliance management. It also provides a systematic framework for risk management by specifying risk management areas, the roles and responsibilities of Risk Owners, and the composition and operating principles of the Compliance Committee.

Compliance Program Operation Process



Compliance

Activities & Achievements

Anti-Corruption Activities

All LG CNS employees carry out their duties fairly and transparently and in accordance with principles and standards, and strictly adhere to the Jeong-Do Management principle, which prohibits the acquisition or retention of business rights through improper means, such as by offering bribes. On the first business day of each year, every employee reaffirms their commitment to compliance by signing an annual anti-corruption pledge which outlines the company's policies around compliance with all domestic and international anti-corruption laws, including prohibitions on improper solicitation, the offering of money or gifts, and corruption through third parties, thereby fostering a culture of compliance. To proactively respond to the strengthening anti-corruption regulations in major countries such as the United States, LG CNS has stipulated specific precautions regarding overseas business within the anti-corruption regulations and established a strengthened pre-inspection process to ensure its thorough prevention of global risks.

Spreading a Culture of Fair Trade

Business Process Improvement	• Promptly incorporate revisions to the Fair Trade Act, review guidelines for the Subcontracting Act, and other regulatory changes into our business processes and systems, and notify employees to prevent violations resulting from an insufficient awareness of legal amendments • Review and improve internal processes to ensure fair transactions with partner companies
Online/Offline Training and Monitoring	• Provide online and offline training to raise awareness of fair trade, focusing on collusion prevention, subcontracting compliance, and the latest regulatory trends • Monitor potential violations of fair trade laws to proactively prevent and manage fair trade risks
Operation of the Fair Trade Portal	• Offer content such as "Introduction to Fair Trade," "Reporting Competitor Contact," "Requests for Technical Data," and "Compliance Guidelines" • Provide legal updates to help employees comply with fair trade regulations during business operations
Cartel Prevention Pledge	• Every January, all employees sign the "Cartel Prevention Pledge" • Employees are strictly prohibited from contacting competitors, and when such contact is unavoidable must report both before and after it occurs to prevent situations that could be interpreted as collusion

Human Resources, Safety and Health, and Personal data Protection Activities

Risk owner departments engage independently in their own risk management activities, such as monitoring the work environment, conducting workplace and project safety inspections, and auditing personal data processors.

Legislative and Regulatory Monitoring

LG CNS continuously monitors domestic and international legislative and regulatory developments relevant to its business operations to swiftly respond to the rapidly evolving business environment and global landscape. Notably, LG CNS conducts in-depth analyses of the potential impact of relevant laws and regulations on the business environment and issues legislative trend reports to senior management at least once a month, actively supporting stable business operations and strategic decision-making.

Compliance Training

LG CNS provides regular compliance training to all employees to ensure they understand the importance of compliance and apply these principles to their work. In addition, we provide specialized compliance training for employees in sales roles and leaders who interact directly with clients, as well as compliance training for newly hired employees. Our compliance training program includes anti-corruption training to prevent bribery and improper solicitation, fair trade and subcontracting training to prevent collusion, training on the practice of Jeong-Do Management, and Jeong-Do Management training that covers the internal reporting system and channels.

2025 Compliance Training



Compliance Training Targets by Year

Category	Year	Target (persons)
Training for sales employees	2022	421
	2023	524
	2024	506
	2025	527
Training for employees of overseas subsidiaries ¹⁾	2024	68
	2025	66
Regular training ²⁾	2025	235

1) Training for employees of overseas subsidiaries has been implemented since 2024.
2) Regular compliance training was rolled out company-wide in 2026, following a pilot program conducted with selected employees in 2025

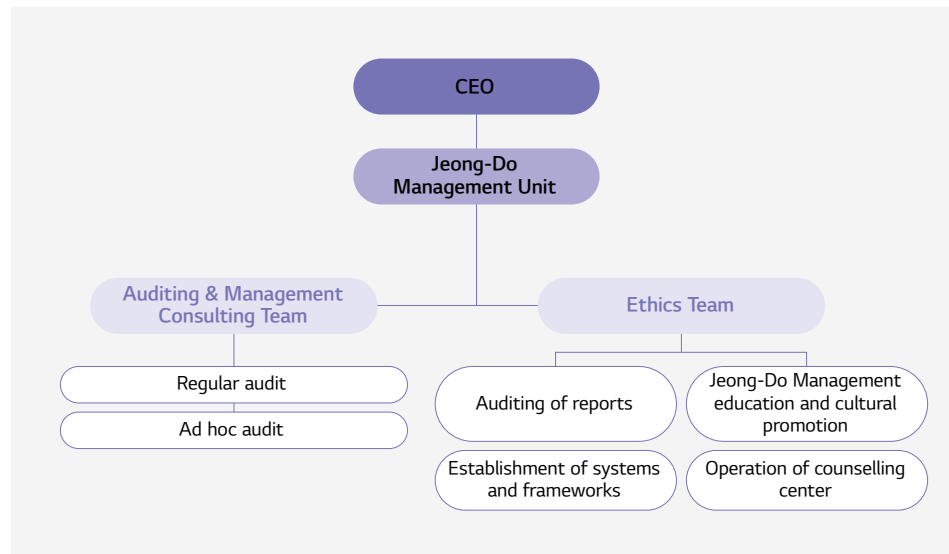
Jeong-Do Management

Governance

Jeong-Do Management System

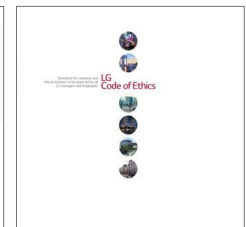
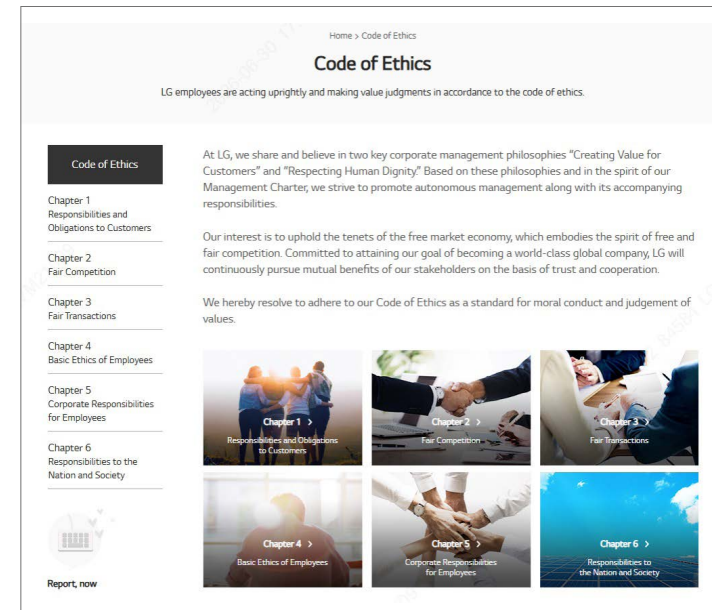
LG CNS operates a dedicated organization that reports directly to the CEO to systematically implement Jeong-Do Management, conducting regular and ad hoc assessments. In addition, the Ethics team of the Jeong-Do Management Unit engages in key activities aimed at embedding Jeong-Do Management into the corporate culture, including receiving and auditing reports, providing Jeong-Do Management training, promoting a sound organizational culture, establishing relevant systems and operational frameworks, and operating a counseling center.

Enterprise-wide Jeong-Do Management Organization



LG Code of Ethics

LG respects the free-market economic order, which promotes free and fair competition, and pursues mutual benefits with all stakeholders based on mutual trust and cooperation. To this end, LG has established a Code of Ethics as a set of principles for proper conduct and a standard for ethical judgment that all members must adhere to, and is firmly committed to implementing the Code. The LG Code of Ethics covers six key areas: Responsibilities and Obligations to Customers, Fair Competition, Fair Transactions, Basic Ethics for Employees, Corporate Responsibilities for Employees, and Responsibilities to the Nation and Society. Guided by the Group's Code of Ethics, LG CNS ensures that all employees adhere to these principles and implements initiatives to promote a culture of ethics and compliance in all areas of management.



[LG Code of Ethics](#)

Jeong-Do Management

Strategy

Direction of Jeong-Do Management

LG CNS aims to establish a proactive inspection system to prevent potential Jeong-Do Management risks across key business processes and business areas, and to continuously enhance related processes and systems. In addition, we intend to gradually expand the scope of Jeong-Do Management training to include our overseas subsidiaries and partner companies, helping to establish fair and transparent business practices and strengthen our cooperative relationships based on mutual trust. Through these efforts, we are pursuing long-term shared growth and sustainable development with all stakeholders.

Activities & Achievements

Operation of Jeong-Do Management Bulletin Board

LG CNS operates an internal portal-based “Jeong-Do Management Guide” bulletin board to improve accessibility and enable employees to practice Jeong-Do Management more systematically. Through this bulletin board, we promptly share announcements and violations related to Jeong-Do Management, and provide an environment that enables employees to access the LG Code of Ethics at any time. We also actively support the enhancement of employees’ ethical awareness and the daily practice of Jeong-Do Management by combining a self-assessment feature and real-time consultation support.

“Jeong-Do Management Guide” Bulletin Board



Operation of Reporting Channels for Corruption and Irregularities

LG CNS receives reports of violations of the Code of Ethics and cases of corruption and misconduct 24 hours a day through a range of channels, including the Jeong-Do Management reporting channel, phone, and email, and strictly protects whistleblowers to ensure they do not suffer any adverse consequences. All reported cases are thoroughly investigated to verify the facts. When a violation of the company's policies or procedures is confirmed, appropriate disciplinary actions are taken against the individuals involved and those responsible, taking into account the severity of the case. Corrective measures are also implemented to prevent recurrence. In addition, we operate a reward program to provide compensation to both internal and external whistleblowers, contributing both to encouraging reporting and eradicating misconduct.

Whistleblower Protection and Confidentiality Process



Jeong-Do Management Implementation Pledge

LG CNS regularly reaffirms its commitment to complying with the LG Code of Ethics and practicing Jeong-Do Management in order to faithfully fulfill its responsibilities to its clients, partner companies, shareholders, and society, and to emerge as a respected market leader. All employees sign the “Jeong-Do Management Pledge” annually before commencing their duties, and when entering into contracts with partner companies, we also require them to sign a Jeong-Do Management pledge to clearly establish mutual trust and reinforce their commitment to ethical management.

Jeong-Do Management Training and Awareness Activities

LG CNS conducts annual Jeong-Do Management training for all employees to ensure the principles of Jeong-Do Management are embedded in their daily behaviors. In addition, we regularly provide customized training to new hires, experienced employees, and newly appointed leaders.

Jeong-Do Management training covers ethics and compliance topics, including anti-corruption, fair trade, information security, basic employee compliance, and the prevention of workplace discrimination and harassment, to enhance employees’ ethical awareness and provide practical standards of conduct. In 2025, a total of 4,006 employees participated in the training. In addition, we regularly publish the “Jeong-Do Management Letter” and “Jeong-Do Management Violation Cases” to raise awareness and foster a culture of heightened employee vigilance.

Stakeholder Communication

Shareholder Status

Shareholding Structure

As of December 31, 2025, LG CNS had a total of 96,885,948 shares issued. LG Corp. holds the largest stake with 44.96% of the total shares. Other major shareholders include Crystal Korea Co., Ltd. (8.28%), the National Pension Service (5.70%), the Employee Stock Ownership Association (3.05%), and other minority shareholders and related parties (38.01%). In addition, as of April 2026, the CEO held company shares equivalent to 0.12 times his base salary¹⁾, while as of December 2025, Executive Vice President Hyung-chul Cho held company shares equivalent to 0.26 times his base salary²⁾.

Shareholder Status³⁾

Category	Shareholder Name	Number of Shares Owned	Ownership (%)
Shareholders holding more than 5%	LG Corp.	43,557,218	44.96
	Crystal Korea Co., Ltd.	8,026,799	8.28
	National Pension Service	5,525,136	5.70
Other shareholders	Employee Stock Ownership Association	2,952,674	3.05
	Minority Shareholders, Related Parties, etc.	36,824,121	38.01

Employee Stock Ownership Plan

LG CNS operates an employee stock ownership plan to promote the long-term financial stability of its employees and foster mutual growth with the company. Through this plan, employees can participate directly in the company's growth and help establish a sustainable management culture in which corporate value and performance are shared.

All employees are eligible to join the employee stock ownership association, and those who meet the legal requirements may receive tax benefits within certain annual limits.

1) KRW 61,400 (closing price as of December 31, 2025) * 2,500 shares / KRW 1,294 million (2025 CEO compensation disclosed in the annual report)

2) KRW 61,400 (closing price as of December 31, 2025) * 2,287 shares / KRW 548 million (2025 compensation for Vice President Hyung-chul Cho as disclosed in the annual report)

3) As of December 31, 2025

Shareholder Return

LG CNS has delivered consistent shareholder returns by paying year-end dividends for 24 consecutive years, from 2002 to 2025. As net income has increased over the past four years, the dividend per share has risen steadily, from KRW 1,190 in 2022 to KRW 1,520 in 2023, KRW 1,672 in 2024, and KRW 1,850 in 2025, with an interim dividend also paid in 2025. In addition, we maintain a consolidated dividend payout ratio (based on net income attributable to controlling interest) of over 40%, and continue to strive to enhance shareholder value.

Furthermore, we promptly provide dividend-related information through disclosures such as the "Decision on Cash and In-Kind Dividends" and the "Results of the Annual General Meeting of Shareholders," which are made on the day of the meeting. To enable shareholders to make more rational investment decisions based on confirmed dividend amounts, we have transitioned to confirming the dividend amount first and then setting the dividend record date, thereby providing clearer and more predictable dividend information in advance.

We will continue to steadily develop our dividend policy to share sustainable value with our shareholders, while maintaining a balanced consideration of financial soundness and future investment capacity. We remain committed to responsible shareholder returns to enhance both corporate value and shareholder value from a medium- to long-term perspective.

Annual General Meeting of Shareholders

To ensure shareholders can exercise their voting rights and to establish sound corporate governance, LG CNS holds an Annual General Meeting of Shareholders within three months after the end of each fiscal year, and convenes extraordinary general meetings as necessary. To facilitate the decision-making process for shareholders, we announce the date, time, venue, and agenda for the general meeting via the electronic disclosure system (DART) four weeks prior to the meeting. Furthermore, we are committed to enhancing the convenience of shareholder participation and the exercise of voting rights by participating in the voluntary compliance program for the dispersion of shareholders' meetings and by introducing an electronic voting system. In accordance with the applicable laws and regulations, amendments to our Articles of Incorporation are made solely by resolution of the General Meeting of Shareholders, and we guarantee shareholders' right to submit proposals. Upon receipt of a shareholder proposal, we review it under the relevant procedures so that it may be reflected in the Board and shareholders' meeting agenda.

Stakeholder Communication

Client Satisfaction

Client Satisfaction Management

As a Digital Business Innovator for our clients, LG CNS strives to enhance client satisfaction by comprehensively analyzing their pain points, identifying improvement strategies, and incorporating these into the solution development and quality improvement processes.

In 2025, we conducted a client satisfaction survey regarding IT services that targeted a total of 63 corporate clients, and the results showed high satisfaction levels in the areas of technical and business expertise.

In addition to client satisfaction surveys, we are innovating the client experience by implementing a continuous improvement process that involves gathering client feedback (VOC) through in-depth interviews and incorporating it into service enhancements.

Beyond conducting surveys, we actively collect client feedback through various channels, including our website, YouTube channel, and blog. We also operate an integrated “Customers Voice” management system to comprehensively analyze pain points and manage the status of improvement actions.

Client Satisfaction Survey Results

Category	Unit	2023	2024	2025
Client Satisfaction ¹⁾	Point	75.8	82.2	80.7

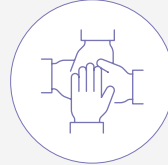


1) Client satisfaction index scores are measured on a scale of 1 to 7 and converted to a score out of 100.

Stakeholder Communication

Operating Multiple Communication Channels

LG CNS defines clients, shareholders, investors, employees, partner companies, industries, and local communities as its key stakeholders, and has established two-way communication channels for each of these groups. To assess the materiality of key ESG issues, we conduct surveys of our stakeholders and try to reflect their diverse opinions in our corporate management.

	Clients 	Shareholders and Investors 	Evaluation Agencies 	Employees 	Partner Companies 	Public Institutions and Industries 	Local Communities 
Topics of Interest to Stakeholders	• Digital technology innovation • Innovation in client value • Strengthening client data protection • Improving the quality of AX solutions	• Establishing a transparent and sound corporate governance framework • Transparent disclosure of financial performance and management information • Implementation of ESG management activities	• Assessing companies' ESG management levels • Disclosing companies' sustainability performance by assigning evaluation ratings	• Strengthening competency development (education and training) • Offering a variety of employee benefit programs • Safety and health management	• Establishing a communication system with partner companies • Promoting shared growth with partner companies • Providing technical and educational support to partner companies	• Developing the IT industry ecosystem • Compliance with fair trade and related laws • Developing innovative services	• Environmental protection activities • Fulfilling corporate social responsibility • Building mutually beneficial relationships with the local communities
Communication Channels	• Website (as needed) • Voice of the Customer (as needed) • Client satisfaction survey (annual) • Customer Service Request survey (upon completion of CSR)	• Shareholders' meeting (annual) • Business reports (quarterly) • Board of Directors (as needed) • Audit Committee, Internal Transactions Committee, ESG Committee, Independent Director Nomination Committee within the BOD (vary by committee)	• Disclosure of ESG management status through the Sustainability Report, website, etc. • Responding to evaluation processes of each rating agency and submitting supporting documentation	• Employee grievance handling program (as needed) • Labor-Management Committee (quarterly) • Occupational Safety and Health Committee (quarterly) • CEO on-site visits (as needed) • People Care employee welfare programs and relevant announcement (as needed)	• PartnerPlus portal (as needed) • Jeong-Do Management reporting channel (as needed) • ESG self-assessment by partner companies (annual) • Training and technical support for partner companies (as needed)	• Public/government relations (as needed) • Korea Software Industry Association (KOSA) Board of Directors • The Federation of Korean Information Industries Board of Directors • Government and industry policy engagement	• Social contribution activities (as needed) • Community partnership agreement

Appendix

95	Environmental Performance	109	ISSB Index
98	Social Performance	111	TCFD Index
103	Governance Performance	112	UN SDGs
105	Economic Performance	113	GHG Emissions Verification Statement
106	GRI Standards Index		
108	SASB Index	114	Third-Party Assurance Statement

Environmental Performance¹⁾

Greenhouse Gas

Category	Unit	2022	2023	2024	2025
Total GHG emissions ²⁾	tCO ₂ eq	134,359	130,713	130,666	152,434
Scope 1 (Direct GHG emissions)	tCO ₂ eq	607	676	804	754
Scope 2 (Indirect GHG emissions) ³⁾	tCO ₂ eq	133,755	130,041	129,866	151,686
YOY change in GHG emissions	%	8.25	(2.71)	(0.04)	16.66
GHG emissions intensity ⁴⁾	tCO ₂ eq/KRW 100 million	2.70	2.33	2.18	2.49

Scope 3 GHG Emissions

Category	Unit	2022	2023	2024	2025	Calculation Criteria
Total Scope 3 emissions	tCO ₂ eq	15,368	15,256	15,113	19,059	
Fuel- and Energy-Related Activities (not included in Scope 1 or Scope 2) ⁵⁾	tCO ₂ eq	14,473	14,051	14,093	17,540	Excluding Scope 1 and 2 emissions from fuel and energy usage
Waste Generated in Operations	tCO ₂ eq	9	8	7	6	Amounts generated by waste type
Business Travel	tCO ₂ eq	886	1,198	1,013	1,514	Distance of employee business trips

Energy

Category	Unit	2022	2023	2024	2025
Total usage	TJ	2,855	2,786	2,790	3,234
Fuel	TJ	10	11	13	12
Steam	TJ	213	220	219	188
Electricity ⁵⁾	TJ	2,627	2,552	2,554	3,028
Renewable energy ⁶⁾	Total	5	4	5	6
	Usage rate	%	0.2	0.2	0.2
Energy use intensity ⁴⁾	TJ/KRW 100 million	0.06	0.05	0.05	0.05

Air Pollutants⁷⁾

Category	Unit	2022	2023	2024	2025
Volatile organic compounds (VOC)	ton	0	0	0	0
Nitrogen oxides (NOx)	ton	0	0	0	0
Sulfur oxides (SOx)	ton	0	0	0	0
Particulate matter (PM)	ton	0	0	0	0

1) Scope of GHG and energy data (Based on the GHG emissions and energy usage statements)

- 2022, 2023 : Headquarters + 4 data centers (Busan, Gaseon, Incheon, Sangam)+Sangam DDMC+ Yonsei Severance Building + leased buildings

- 2024: Included Hanam Data Center

- 2025: Included Jukjeon Data Center

2) The total emissions differ slightly from the sum of business site-level emissions due to rounding at the individual site level before aggregation to the company level.

3) Data changes due to a revision in the reporting scope for 2022-2024 (including leased business sites)

4) When calculating intensity, consolidated sales figures are used.

5) Data changes due to a revision in the reporting scope for 2022-2024 (including leased business sites)

6) Business sites using self-generated renewable energy : Headquarters, Sangam IDC, Busan IDC, Hanam IDC

7) LG CNS does not emit air pollutants.

Environmental Performance

Water Resources

Category		Unit	2022	2023	2024	2025
Total water withdrawal ^{1), 2)}		ton	237,703	268,032	244,755	228,893
By business site	Magok Headquarters	ton	64,490	72,550	73,703	76,320
	Gasam Data Center	ton	69,766	81,298	71,466	55,428
	Busan Data Center	ton	85,669	92,773	81,392	81,059
	Incheon Data Center	ton	3,004	3,497	1,585	814
	Sangam Data Center	ton	14,774	17,914	16,609	15,272
	Other	ton	0	0	0	0
By source	Waterworks	ton	237,703	268,032	244,755	228,893
	Groundwater	ton	0	0	0	0
	Seawater	ton	0	0	0	0
	Other	ton	0	0	0	0
By water type	Fresh water	ton	237,703	268,032	244,755	228,893
	Salt water	ton	0	0	0	0
Water reuse	Total water reuse	ton	4,546	4,625	3,115	4,487
	Internal water reuse	ton	1,353	2,804	2,161	1,562
	External water reuse ³⁾	ton	3,193	1,821	954	2,925
	Water reuse rate	%	1.91	1.73	1.27	1.96
Water usage		ton	0	0	0	0

Waste - General Waste

Category		Unit	2022	2023	2024	2025
Total waste (recycled and non-recycled) ³⁾		ton	353.0	338.7	301.8	255.5
Recycled ⁴⁾		ton	134.1	229.6	192.7	163.3
Non-Recycled	Incineration (general)	ton	0	0	0	0
	Incineration (heat recovery)	ton	0	0	0	0
	Landfill	ton	0	0	0	0
	Other	ton	0	0	0	0
Other ⁵⁾		ton	218.9	109.1	109.0	92.2

Waste – Hazardous (Designated) Waste⁶⁾

Category		Unit	2022	2023	2024	2025
Total waste (recycled and non-recycled)		ton	0	0	0	0
Recycled		ton	0	0	0	0
Non-Recycled	Incineration (general)	ton	0	0	0	0
	Incineration (heat recovery)	ton	0	0	0	0
	Landfill	ton	0	0	0	0
	Other	ton	0	0	0	0

1) LG CNS discharges all withdrawn water, resulting in the volume of water withdrawal being equal to the volume of water discharge.

2) The 2025 water withdrawal target was 232,517 tons, a 5% reduction from the previous year, and the target was achieved by reducing water withdrawal in 2025 by 6% compared to 2024.

3) Some historical data have been restated following a review of the data calculation methodology.

4) Based on a review of the contracted company's Allbaro waste management performance reports for 2023–2025, it was confirmed that all waste generated at the Magok Headquarters was recycled.

5) The amount of waste generated at business sites outside the headquarters that are not reported via the Allbaro system and are sent for contracted disposal.

6) LG CNS does not emit designated waste.

Environmental Performance

Operating Eco-Friendly IT Systems in Data Centers

Category		Unit	2022	2023	2024	2025
Energy savings in the data center	Total Savings	TJ	21.8	94.5	111.8	122.2
	Sangam	TJ	20.2	29.9	33.0	38.5
	Busan	TJ	1.6	11.5	17.0	21.9
	Gasam	TJ	- ¹⁾	53.1	61.8	61.8
Carbon emissions reductions in the data center	Total Reduction	tCO ₂ eq	1,043	4,520	5,347	5,848
	Sangam	tCO ₂ eq	966	1,430	1,577	1,840
	Busan	tCO ₂ eq	77	550	811	1,049
	Gasam	tCO ₂ eq	- ¹⁾	2,540	2,959	2,959
Total energy usage in the data center		MWh	282,604	274,167	274,896	321,771
Total renewable energy usage in the data center		MWh	129	126	238	313
		%	0.05	0.05	0.09	0.10

Managing Water Usage in Data Centers

Category		Unit	2022	2023	2024	2025
Water usage in data centers	Total usage	ton	170,209	191,985	169,467	151,759
	Sangam	ton	14,774	17,914	16,609	15,272
	Busan	ton	85,669	92,773	81,392	81,059
	Gasam ²⁾	ton	69,766	81,298	71,466	55,428

Data Center PUE

Category	Unit	2022	2023	2024	2025
Average PUE ³⁾	-	1.59	1.55	1.54	1.55
Coverage	%	92	92	89	67

Environmental Management Training Status

Category	Unit	2022	2023	2024	2025
Total training hours	Minute	90,765	29,825	38,979	7,068
Number of employees targeted for training	Person	6,543	6,914	6,708	7,064
Number of employees who participated in training	Person	6,051	5,965	4,331	1,178

Environmental Management System (ISO 14001)

Category	Unit	2025
Verification coverage in accordance with international standards	%	100
Third-party verification coverage provided by external specialized organizations	%	100
Verification coverage conducted by internal experts dispatched from headquarters	%	100

Status of Low-Emission Vehicle Ownership

Category	Unit	2025
Number of vehicles owned	Vehicle	8
Ownership rate	%	9.9

1) Since the equipment is being replaced sequentially, beginning with the units that have reached the end of their service life, there is some missing historical data.

2) Decrease in water usage due to reduced IT load at the Gasam Center

3) The target average PUE for data centers in 2025 is 1.55 and the target has been achieved.

Social Performance¹⁾

Employee Status

Category		Unit	2023	2024	2025
Total number of employees		Person	6,889	6,891	6,890
By gender	Male	Person	5,144	5,112	5,081
	Female	Person	1,745	1,779	1,809
By contract	Regular	Person	6,702	6,744	6,762
	Male	Person	5,005	5,005	4,985
	Female	Person	1,697	1,739	1,777
	Temporary ²⁾	Person	187	147	128
	Male	Person	139	107	96
	Female	Person	48	40	32
By age (regular)	29 and under	Person	888	783	761
	30-49	Person	3,975	3,946	3,898
	50 and older	Person	1,839	2,015	2,103

Global Workforce Status³⁾

Category		Unit	2025
Total number of employees		Person	6,890
		%	100
By country	Korea	%	99.81
	U.S.	%	0.06
	China	%	0.01
	Canada	%	0.04
	Japan	%	0.01
	Indonesia	%	0.01
	Malaysia	%	0.01
	Tajikistan	%	0.01
Total number of management positions		Person	515
		%	100
By country	Korea	%	100
	U.S.	%	0
	China	%	0
	Canada	%	0
	Japan	%	0
	Indonesia	%	0
	Malaysia	%	0
	Tajikistan	%	0

1) Reporting scope : Based on domestic business sites (including overseas business sites for employee status and new hires)

2) Refers to fixed-term employees as defined by the Act on the Protection of Fixed-term and Part-time Employees, and their duties vary, including developers, PMs, and drivers

3) New disclosure for 2025

Social Performance

New Hires

Category		Unit	2023	2024	2025
Total number of new hires		Person	544	426	407
By gender	Male	Person	388	302	283
	Female	Person	156	124	124
By contract	Regular	Person	447	349	349
	Male	Person	314	250	239
	Female	Person	133	99	110
	Temporary ¹⁾	Person	97	77	58
	Male	Person	74	52	44
	Female	Person	23	25	14
By age	29 and under	Person	285	199	238
	30-49	Person	215	181	130
	50 and older	Person	44	46	39

Recruitment

Category		Unit	2022	2023	2024	2025
Percentage of open positions filled through internal mobility or recruitment ²⁾		%	25	26	28	26
Recruitment cost per hire		KRW 1,000	1,479	1,838	1,807	1,039

1) Refer to fixed-term employees as defined by the Act on the Protection of Fixed-term and Part-time Employees, and their duties vary, including developers, PMs, and drivers
2) Recruitment through transfer via the MCU (My Career Up) program

Social Performance

Employee Turnover¹⁾

Category		Unit	2023	2024	2025
Total turnover rate		%	4.2	4.9	5.5
Total number of turnover		Person	289	338	380
By gender	Male	Person	223	248	298
	Female	Person	66	90	82
By age	29 and under	Person	50	53	40
	30-49	Person	151	158	138
	50 and older	Person	88	127	202
Total voluntary turnover rate		%	2.5	2.7	3
Total number of voluntary turnover		Person	173	186	207
By gender	Male	Person	124	120	130
	Female	Person	49	66	77

Employee Diversity

Category		Unit	2023	2024	2025
Gender diversity rate	Female employee	%	25	26	26
	Female manager ²⁾	%	17	17	20
	First-line female manager ³⁾	%	18	18	21
	Female executive ⁴⁾	%	19	14	13
	Female position holder in revenue-generating departments	%	16	17	18
	Female non-position holder in revenue-generating departments	%	25	26	26
	Female in STEM departments ⁵⁾	%	33	29	29
Employee with disabilities ⁶⁾		Person	125	130	132

Employee Training

Category	Unit	2023	2024	2025
Total training hours	Hour	227,885	282,856	305,729

Employee Training Completion Rate⁷⁾

Category	Unit	2025
Employee Training Completion Rate	%	98.95

Training per Employee⁷⁾

Category	Unit	2025
Average training hours per person_FTE ⁸⁾	Hour	42
By gender	Male	40
	Female	50
By age	29 and under	100
	30-49	41
	50 and older	24
By position	Managerial positions	29
	Non-managerial positions	76
Average training cost per person_FTE	KRW	1,288,844

1) Based on regular employees

2) All female employees holding a position

3) Female team leaders/group leaders

4) Female executives

5) Changed the indicator name from "Percentage of female engineers" in the previous year's report to "Female in STEM departments"

6) Based on workplaces subject to reporting of employment levy for people with disabilities (CNS + Haengbokmaru)

7) New disclosure for 2025

8) FTE(Full-Time Equivalent)

Social Performance

Human Capital ROI¹⁾

Category	Unit	2022	2023	2024	2025
Total revenue	KRW 1,000	4,590,452,884	5,112,688,400	5,407,585,590	5,449,270,878
Total operating expenses	KRW 1,000	322,013,471	341,377,105	368,102,736	345,241,450
Total employee-related expenses	KRW 1,000	903,860,647	978,854,048	1,030,626,614	1,042,629,150
Human capital ROI	Times	5.722	5.874	5.890	5.895

Gender Pay Gap^{2), 3)}

Category	Unit	2025
Ratio of women's to men's salary	Executives	% 100
	Manager	% 100
	Non-manager	% 100

Performance Evaluation³⁾

Category	Unit	2025
Employees received regular performance evaluations	%	100

Social Contributions

Category	Unit	2022	2023	2024	2025
Donation+Social Contribution (AI Genius)	KRW million	1,934	1,600	2,494	4,258

Social Contribution Performance

Category		Unit	2022	2023	2024	2025
Total	Number of beneficiary schools	School	65	66	51	71
	Number of beneficiary students	Person	3,501	3,398	2,978	2,713
AI Genius	Number of beneficiary schools	School	35	38	29	30
	Number of beneficiary students	Person	3,153	2,916	2,680	2,322
	Number of participating employees	Person	52	49	53	54
AI Genius Academy	Number of beneficiary schools	School	30	28	22	41
	Number of beneficiary students	Person	348	482	298	391

1) Based on separate financial statements

2) While salaries may vary depending on length of service and performance evaluations, there is no difference in base pay between men and women at the same job grade and pay step.

3) New disclosure for 2025

Social Performance

Information Security

Category	Unit	2023	2024	2025
Total number of information security breaches	Case	0	0	0
Number of clients affected by information security breaches	Person	0	0	0

Status of Personal Information Management

Category	Unit	2025
Number of customer personal data breaches	Case	0
Number of requests for user data and information received from government or law enforcement agencies	Case	0
Response rate to requests	%	0
Number of cases of customer information being used for purposes other than the original purpose of collection	Case	0

Safety and Health

Category		Unit	2022	2023	2024	2025
Occupational illness		Case	0	0	0	0
Injury	Number of injured people	Person	1	1	1	0
	Injury rate ¹⁾	%	0.015	0.015	0.014	0
Fatality	Number of fatalities	Person	0	0	0	0
	Fatality rate	%	0	0	0	0
LTIFR ^{2), 3)} (Lost-Time Injuries Frequency Rate)	Employees	Case/million hours worked	0.09	0.09	0.08	0
	Partner companies	Case/million hours worked	0	0	0	0
Absenteeism rate	Employees	%	0	0	0	0

Supply Chain Management

Category		Unit	2023	2024	2025
Partner companies ESG Assessment	Partner companies subject to self-assessment	Company	71	105	105
	Partner companies that have completed self-assessment	Company	43	63	22
	High-risk partner companies	Company	20	0	1
	Partner companies that have completed on-site audit	Company	20	0	1
	Number of non-conformities identified	Company	20	0	2
	Number of non-conformities resolved	Company	20	0	2
Shared growth index grade		Grade	Highest	Highest	Highest

Partner Company Grievance Handling

Category	Unit	2025
Cases received	Case	16
Resolution	%	100

1) Number of injured workers/Workers subject to occupational accident compensation X 100

2) Total number of injuries/Total annual hours worked X 1,000,000

3) LTIFR : Lost-Time Injury Frequency Rate

Governance Performance

BOD Composition

Category		Unit	2023	2024	2025
By gender	Male	Person	5	6	6
	Female	Person	0	1	1
Executive/ Independent/ Other non- executive	Executive Director	Person	2	1	1
	Independent Director	Person	0	4	4
	Other non-Executive Director	Person	3	2	2

BOD Operation

Category		Unit	2023	2024	2025
BOD meeting		Case	7	11	7
Agenda reported		Case	15	12	14
Agenda approved		Case	23	28	24
Average attendance rate ¹⁾		%	91.4	96.1	91.8
Reviews on ESG and risk management in economy/society/environment by BOD ²⁾		Case	7	7	6
Number of Independent directors who do not violate restrictions on concurrent positions (limited to two or fewer other positions) ³⁾		Person	- ⁴⁾	4	4

Contributions and Other Expenditures⁵⁾

Category		Unit	2022	2023	2024	2025
Total contributions and other expenditures		KRW 1,000	415,749	432,643	426,290	502,358
International trade association/ Tax-exempt organization		KRW 1,000	415,749	432,643	426,290	502,358
Local and national political campaigns		KRW 1,000	0	0	0	0
Lobby, interest representation, etc.		KRW 1,000	0	0	0	0
Other		KRW 1,000	0	0	0	0

Policy Contribution (Top 5 Organizations)

Category		Unit	2022	2023	2024	2025
Seoul Chamber of Commerce and Industry		KRW 1,000	192,600	149,040	154,980	156,600
American Chamber of Commerce in Korea (AMCHAM)		KRW 1,000	- ⁶⁾	60,000	60,000	60,000
Electrical Contractors Association		KRW 1,000	5,284	615	40,724	47,600
Korea Information & Communication Contractors Association		KRW 1,000	24,719	31,539	25,738	28,701
Korea Software Industry Association (KOSA)		KRW 1,000	20,000	20,000	20,000	20,000

Code of Ethics/Anti-Corruption

Category		Unit	2023	2024	2025
Ethics training	Number of target employees	Person	6,889	6,891	6,890
	Number of employees who completed training	Person	6,369	6,224	4,006
Number of violations of the Code of Ethics		Case	6	9	11
Actions taken for Ethics Code violations	Number of cases	Case	6	9	11
	Percentage	%	100	100	100
Items of Ethics Code violations	Corruption/bribery	Case	0	2	1
	Money laundering/insider trading	Case	0	0	0
	Client personal data	Case	0	0	0
	Discrimination/harassment/sexual harassment	Case	1	0	1
	Conflict of interest	Case	0	2	3
	Non-compliance with basics	Case	5	5	5
	Other	Case	0	0	1

1) Sum of the attendance rate for each BOD meeting/Total number of BOD meetings held

2) Refer to the 2025 Business Report (306p), "1. Matters Concerning the Board of Directors"

3) In accordance with the Commercial Act and other relevant laws and regulations, LG CNS restricts Independent directors from holding concurrent positions at two or more other companies, and there were no violations as of the date of publication of the report (June 2026)

4) No Independent directors in 2023

5) The provision of political funds is prohibited in accordance with the Political Funds Act and other relevant laws and regulations

6) Joined in 2023

Governance Performance

Compliance (Violation of Laws and Regulations)¹⁾

Category		Unit	2022	2023	2024	2025
Environment	Number of cases	Case	0	0	0	0
	Fine	KRW 10,000	0	0	0	0
Information security	Number of cases	Case	0	0	0	0
	Fine	KRW 10,000	0	0	0	0
Fair trade	Number of cases	Case	0	0	0	0
	Fine	KRW 10,000	0	0	0	0
Safety and Health	Number of cases	Case	0	0	1	0
	Fine	KRW 10,000	0	0	50	0
Other	Number of cases	Case	0	0	0	0
	Fine	KRW 10,000	0	0	0	0

Compensation

Category	Unit	2025
CEO Compensation	KRW 1 million	1,717
Average employee compensation	KRW 1 million	116
Ratio of CEO compensation to average employee compensation	%	1,480

1) Limited to sanctions imposed by investigative or judicial authorities as stated in the Business Report (excluding sanctions imposed by administrative or public agencies)

Economic Performance

Corporate Income Tax Status

Category	Unit	2023	2024	2025
Earnings before Tax	KRW 1,000	442,662,493	485,484,977	593,244,153
Reported Taxes	KRW 1,000	110,310,258	120,570,547	154,086,557

Sales by Subsidiary

Country	Subsidiary Name	Main Business/ Activity	Number of Employees (person)	Sales (KRW 1,000)	Pre-tax Profit (Loss) (KRW 1,000)
China	LG CNS China Inc.	Development and Supply of Service and Application Software	304	167,075,980	21,920,113
United States	LG CNS America, Inc.	Development and Supply of Service and Application Software	303	674,354,109	59,538,798
Netherlands	LG CNS Europe B.V.	Development and Supply of Service and Application Software	48	88,234,118	6,676,241
India	LG CNS India Pvt. Ltd.	Development and Supply of Service and Application Software	30	28,391,686	1,474,464
Brazil	LG CNS Brasil Servicos de T.I. Ltda.	Development and Supply of Service and Application Software	65	9,835,352	1,456,129
Indonesia	PT LG CNS Indonesia	Development and Supply of Service and Application Software	6	8,728,642	1,487,029
Colombia	LG CNS COLOMBIA SAS	Development and Supply of Service and Application Software	69	17,215,241	5,037,057
Malaysia	LG CNS MALAYSIA SDN BHD	Development and Supply of Service and Application Software	9	4,216,252	924,190
Japan	LG CNS JAPAN Co., Ltd.	Development and Supply of Service and Application Software	14	11,884,667	(648,133)
Uzbekistan	LG CNS UZBEKISTAN, LLC	Development and Supply of Service and Application Software	6	1,585,074	115,939
Vietnam	LG CNS VIETNAM Co., Ltd.	Development and Supply of Service and Application Software	707	68,617,854	5,917,454
United States	LG CNS Fund I LLC.	Investment fund	0	0	(87,316)
United States	LG CNS FUND II LLC	Investment fund	0	0	(660,075)

GRI Standards Index

Topic	Disclosure	Report Page
The organization and its reporting practices	2-1 Organizational details	6-7p
	2-2 Entities included in the organization's sustainability reporting	2p
	2-3 Reporting period, frequency and contact point	2p, 116p
	2-4 Restatements of information	95p
	2-5 External assurance	114-115p
Activities and workers	2-6 Activities, value chain and other business relationship	6-7p, 9-10p
	2-7 Employees	98p
	2-8 Workers who are not employees	98p
Governance	2-9 Governance structure and composition	78-80p
	2-10 Nomination and selection of the highest governance body	78-79p, Business Report 306-310p
	2-11 Chair of the highest governance body	78p
	2-12 Role of the highest governance body in overseeing the management of impacts	80p
	2-13 Delegation of responsibility for managing impacts	80p
	2-14 Role of the highest governance body in sustainability reporting	28p, 80p
	2-15 Conflicts of interest	79p
	2-16 Communication of critical concerns	79-80p
	2-17 Collective knowledge of the highest governance body	85p
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Report [306000]

Statement of use LG CNS has prepared the "2025-2026 Sustainability Report" in accordance with the GRI Standards 2021, covering key activities and reports related to sustainable management from January 1, 2025 to December 31, 2025.	GRI 1 Version used	GRI1 : Foundation 2021
	Applicable GRI Sector Standards	-

Topic	Disclosure	Report Page
Governance	2-19 Remuneration policies	Business Report 327-332p
	2-20 Process to determine remuneration	Business Report 327-332p
	2-21 Annual total compensation ratio	104p
Strategy	2-22 Statement on sustainable development strategy	5p
	2-23 Policy commitments	8p, 28p, 40p, 48p, 56p, 63p, 68p, 71p, 74p, 87p, 89p
	2-24 Embedding policy commitments	8p, 28p, 40p, 48p, 49p, 56p, 63p, 68p, 71p, 74p, 87p, 89p
	2-25 Processes to remediate negative impacts	87p
	2-26 Mechanisms for seeking advice and raising concerns	90p
	2-27 Compliance with laws and regulations	104p, Business Report 340-341p
	2-28 Membership associations	103p
Stakeholder engagement	2-29 Approach to stakeholder engagement	91-93p
	2-30 Collective bargaining agreements	52p
Management approach	3-1 Process to determine material topics	22p
	3-2 List of material topics	23p
	3-3 Management of material topics	24-25p

GRI Standards Index

Topic		Disclosure	Report Page
Economic Performance	201-1	Direct economic value generated and distributed	6p, 105p
	201-2	Financial implications and other risks and opportunities due to climate change	31-35p
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	86-88p, 103p
	205-3	Confirmed incidents of corruption and actions taken	103-104p
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Report 340-341p
Energy	302-1	Energy consumption within the organization	95p
	302-2	Energy consumption outside of the organization(Scope3)	95p
	302-3	Energy intensity	95p
	302-4	Reduction of energy consumption	36p, 97p
Water and Effluents	303-3	Water withdrawal	96p
	303-4	Water discharge	96p
	303-5	Water consumption	96-97p
Emissions	305-1	Direct GHG emissions(Scope 1)	95p
	305-2	Indirect GHG emissions(Scope 2)	95p
	305-3	Other indirect GHG emissions(Scope 3)	95p
	305-4	GHG emissions intensity	95p
	305-5	Reduction of GHG emissions	38p
Waste	306-3	Waste generated	96p
	306-4	Waste diverted from disposal	96p
	306-5	Waste directed to disposal	96p
Supplier Environmental Assessment	308-2	Negative environmental impacts in the supply chain and actions taken	71-73p

Topic		Disclosure	Report Page
Employment	401-1	New employee hires and employee turnover	99-100p
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	55p
	401-3	Parental leave	Business Report 327p
Labor/Management Relations	402-1	Minimum notice periods regarding operational changes	48p
Occupational Health and Safety	403-1	Occupational health and safety management system	64p
	403-2	Hazard identification, risk assessment, and incident investigation	64-65p
	403-3	Occupational health services	67p
	403-4	Worker participation, consultation, and communication on occupational health and safety	66-67p
	403-5	Worker training on occupational health and safety	65p
	403-6	Promotion of worker health	55p, 67p
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	66-67p
	403-8	Workers covered by an occupational health and safety management system	64p
	403-9	Work-related injuries	102p
	403-10	Work-related ill health	102p
Training and Education	404-1	Average hours of training per year per employee	100p
	404-2	Programs for upgrading employee skills and transition assistance programs	42-47p
	404-3	Percentage of employees receiving regular performance and career development reviews	42-43p, 101p
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	78-80p, 100p, 103p, Business Report 323-325p
	405-2	Ratio of basic salary and remuneration of women to men	101p
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	103p
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	68-70p
	413-2	Operations with significant actual and potential negative impacts on local communities	68-70p
Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	71-72p
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	102, 104p

SASB Index

Topic	Code	Description	Unit of Measure	Report Page
Environmental Footprint of Hardware Infrastructure	TC-SI-130a.1	(1) Total energy consumed, (2) percentage of grid electricity, (3) percentage of renewable energy	Gigajoules (GJ), Percentage (%)	95p
	TC-SI-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic meters (m³), Percentage (%)	96p
	TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Not applicable	36-37p
Data Privacy & Freedom of Expression	TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	Not applicable	56-62p
	TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Reporting Currency	102p
Data Security	TC-SI-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	Number, Percentage (%)	102p
	TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Not applicable	56-62p
Recruiting & Managing a Global, Diverse & Skilled Workforce	TC-SI-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	Percentage (%)	98p
	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Percentage (%)	98p
Intellectual Property Protection & Competitive Behavior	TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations Reporting currency	Reporting Currency	103-104p

ISSB Index

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

Core Pillar	Disclosure Requirement	Report Page
Governance	How responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to the governance body(s) or individual(s) responsible for oversight of sustainability-related risks and opportunities	28-29p, 31p, 40-41p, 48p, 56p, 63p, 68p, 71p, 74p, 78-80p, 86p, 89p
	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities	28-29p, 31p, 40p, 56p, 63p, 74p, 78-80p, 86p, 89p
Strategy	A description of the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects	24p
	The current and anticipated effects of those sustainability-related risks and opportunities on the entity's business model and value chain	24p, 41-42p
	How the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making	24p, 42-43p, 49p, 55p, 59-60p, 68p, 71p, 82p, 87p, 90p
	The anticipated effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how sustainability-related risks and opportunities are included in the entity's financial planning	24p, 61p
	A qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks	24-25p, 84p
Risk management	The processes and policies the entity uses to identify, assess, prioritize and monitor sustainability-related risks	22p, 57-58p, 62p, 64-65p, 81-85p, 87p
	The processes the entity uses to identify, assess, prioritize and monitor sustainability-related opportunities	22p, 57-58p, 62p, 64-65p, 75p, 81-85p, 87p
	The extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring sustainability-related risks are integrated into and inform the entity's overall risk management process	22p, 57-58p, 62p, 64-65p, 75p, 81-85p, 87p
Metrics and targets	Disclosure of metrics for sustainability-related risks and opportunities required by an applicable IFRS Sustainability Disclosure Standard	59-60p, 68p
	Metrics the entity uses to measure and monitor : sustainability-related risk or opportunity; and performance in relation to that sustainability-related risk or opportunity	24-25p

ISSB Index

IFRS S2 Climate-related Disclosures

Core Pillar	Disclosure Requirement	Report Page
Governance	How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to the governance body(s) or individual(s) responsible for oversight of climate-related risks and opportunities	28-29p, 31p
	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	
Strategy	The climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	33-35p, 38p
	The current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain	
	Information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making	
	The anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning	
	The entity's assessment of its climate resilience as at the reporting date	24-25p, 33-39p
Risk Management	The processes and related policies the entity uses to identify, assess, prioritize and monitor climate-related risks	28p, 31p
	The process the entity uses to identify, assess, prioritize and monitor climate-related opportunities	31-35p
	The extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks are integrated into and inform the entity's overall risk management process	
Metrics and Targets	Cross-industry metrics	95p
	Greenhouse gas (GHG) emissions (Scope 1, 2 and 3), the measurement approach, whether emissions are disclosed on a consolidated basis, whether emissions from associates and joint ventures are disclosed, key assumptions and inputs used in measuring emissions	
	The amount and percentage of assets or business activities vulnerable to climate-related transition risks	32-35p
	The amount and percentage of assets or business activities vulnerable to climate-related physical risks	
	The amount and percentage of assets or business activities aligned with climate-related opportunities	
	The amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	25p, 32p
	An explanation of whether and how the entity is applying a carbon price in decision-making	
	A description of whether and how climate-related considerations are factored into executive remuneration, and the percentage of executive management remuneration	24p
	Industry-based metrics	Refer SASB index
	Climate-related targets	29p, 31-33p, 36p, 38p
	Climate-related targets (metrics used to set the target, objective, scope, period, baseline year, qualitative/quantitative, etc.)	
	Information about its approach to setting and reviewing each target, and how it monitors progress against each target	31-33p, 36p, 38p
	Greenhouse gas emissions target (Scope 1, 2 and 3, whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target, whether the target was derived using a sectoral decarbonization approach, etc.), the entity's planned use of carbon credits to achieve any net emissions target (the extent to which, reliance approach, third-party verification, etc.)	95p, 115-116p

TCFD Index

TCFD (Task Force on Climate-related Financial Disclosures)

The TCFD disclosure recommendations are a set of standards that outline the content and methods required to enable stakeholders, such as clients and investors, to clearly understand the financial impacts of climate change. LG CNS manages and addresses climate change risks and opportunities across the four key areas recommended by the TCFD as the basic framework for financial disclosure: corporate governance, strategy, risk management, and metrics and targets.

Category	TCFD Recommendations	Page
Corporate Governance	a. Describe the board’s oversight of climate-related risks and opportunities	28p
	b. Describe management’s role in assessing and managing climate-related risks and opportunities	28p
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	31-32p
	b. Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning	31-32p
	c. Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	33-35p
Risk Management	a. Describe the organization’s processes for identifying and assessing climate-related risks	31-32p, 83-88p
	b. Describe the organization’s processes for managing climate-related risks	31-32p, 83-88p
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management	31-32p, 83-88p
Metrics and Targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	95p
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	95p
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	28p

UN SDGs

UN SDGs(Sustainable Development Goals)

The United Nations has proposed the UN Sustainable Development Goals (UN SDGs), consisting of 17 goals, to respond to the economic, environmental, and social issues facing humanity and to realize sustainable development together with the world. LG CNS is implementing activities to create social value with a focus on achieving 14 goals, excluding specific goals that are not closely related to the company, such as poverty, agricultural development and marine resources.



UN SDGs	Activity	Page
	Good Health and Well-Being - Mental health support for employees through the in-house counseling center and Mind Care Center - Physical health care through health therapy - Health benefits, including coverage for major medical expenses and flu vaccinations	55p
	Quality Education - Free education for youth through the AI Genius program; specialized mentoring for high school students via the AI Genius Academy - AI education for schools in rural and remote areas	68-70p
	Gender Equality - Career development and networking support through the Female Leaders Forum - Maternity protection programs, including paid leave before and after childbirth and reduced working hours during pregnancy - Operation of a maternity care room and support for a smooth return to work after childbirth - Equal base pay for employees of both genders	50-52p, 55p, 101p
	Clean Water and Sanitation Monitoring of water usage · Regular water quality testing	38p
	Affordable and Clean Energy - Monitoring the entire process with a DCIM system and operating a greenhouse gas management system - Introduction of high-efficiency mechanical equipment in the data center - Improvement of data center PUE	36p
	Decent Work and Economic Growth - Industry-academia partnership and internship programs - Retirement pension plan, transition program for retirees - Support for new hires at partner companies	43p, 47p, 72p
	Industry, Innovation and Infrastructure Announcement of key responsibilities and efforts regarding energy and the environment through participation in the "2025 Future Promising Technologies Conference"	37p

UN SDGs	Activity	Page
	Reduced Inequalities - Provisions on the prohibition of discrimination in human rights policies - Diversity and inclusion initiatives	48p
	Sustainable Cities and Communities Participation in the "AI and Robot-Based Future City" transformation project organized by Incheon Metropolitan City to implement smart city and energy technologies	37p
	Responsible Consumption and Production Development of Aimos, a Vision AI-based SaaS platform capable of real-time iron scrap grading	18-19p
	Climate Action - Analysis of climate change risks and opportunities - Scenario analysis	32-35p
	Life on Land Removing invasive plant species as part of the Hangang Protectors activities	30p
	Peace, Justice and Strong Institutions - Implementation of Jeong-Do Management training for employees - Completion of Jeong-Do Management pledge by employees	90p
	Partnerships for the Goals - Joined the SAP RSSP in the Asia-Pacific region - Partnerships with leading global AI companies - Strengthening employee expertise through partnerships with global educational institutions	9p, 44p

GHG Emissions Verification Statement

LG CNS

Verification Target and Scope

This verification was conducted based on the 2025 greenhouse gas emissions and energy usage statement prepared by LG CNS and all greenhouse gas emission sources under the operational control of LG CNS, targeting energy-using facilities and means.

Verification Criteria

This verification was conducted in accordance with the Guidelines for Reporting and Certification of Emissions of the Greenhouse Gas Emissions Trading System [Korean Ministry of Environment Notification No. 2025-64] and the Verification Guidelines for Operation of the Greenhouse Gas Emissions Trading System [Korean Ministry of Environment Notification No. 2025-165].

Verification Procedure

The statement verification was planned and performed in accordance with the procedures stipulated in the “Guidelines for Reporting and Certification of Emissions of the Greenhouse Gas Emissions Trading System” and the “Verification Guidelines for the Operation of the Greenhouse Gas Emissions Trading System,” and was conducted by Daeil E&C Technology, a greenhouse gas verification body. The assurance level of the verification was planned and performed in accordance with the manual and procedures and was performed to satisfy a reasonable level of assurance. Therefore, it was verified to a reasonable level of assurance in accordance with the verification principles of completeness, consistency, accuracy, transparency, and appropriateness, and it was confirmed through internal deliberation whether the entire verification process was carried out in accordance with regulations and guidelines.

Verification Limits

Verification has inherent limitations that may arise in the process of applying the level, standards, and methods of reported data.

Verification Opinion

No significant errors were found in the 2025 greenhouse gas emissions and energy usage statement in the following table submitted by your company, and it satisfies the criteria for the materiality assessment, so we present an “appropriate” opinion.

No	Business Name	Annual Greenhouse Gas Emissions (tCO ₂ eq)			Annual Energy Usage (TJ)			
		Direct GHG Emission (Scope1)	Indirect GHG Emission (Scope2)	Total Amount	Fuel Usage	Electricity Usage	Steam Usage	Total Amount
1	Sangam IT Center	13.688	28,937.000	28,950	0.197	478.197	167.340	645
2	Construction sector workplace	-	-	-	-	-	-	-
3	Incheon IT Center	-	486.124	486	-	10.158	-	10
4	Busan IT Center	137.918	42,614.150	42,752	1.988	890.480	-	892
5	Gasan IT Center	91.033	27,536.500	27,627	1.693	575.412	-	577
6	Head Office	479.915	3,828.899	4,308	7.539	68.537	15.064	91
7	Sangam DDMC	-	1,415.809	1,415	-	25.703	5.137	30
8	Rental Business	-	395.638	395	-	8.267	-	8
9	Yonsei Severance Building	31.066	271.250	302	0.612	5.668	-	6
10	Hanam IT Center	-	33,373.986	33,373	-	697.394	-	697
11	Jukjeon IT Center	-	12,826.823	12,826	-	268.034	-	268
Sum		753.619	151,686.180	152,434	12.030	3,027.850	187.541	3,224

Note) The sum of the above direct and indirect emissions may differ slightly depending on the total greenhouse gas emissions and the guideline digit processing regulations.

June 11, 2026

Jeong Hae-jong, CEO of Daeil E&C Technology



INDEPENDENT ASSURANCE OPINION STATEMENT

To: The Stakeholders of LG CNS

Overview

The British Standards Institution (hereinafter referred to as the "Assurer") was requested to verify the LG CNS Sustainability Report 2025 (hereinafter referred to as the "Report"). The Assurer is independent from LG CNS and has no major operational financial interest other than the assurance of the Report. This assurance opinion statement is intended to provide information related to the assurance of the LG CNS's report relating to the environmental, social and governance (ESG) to the relevant stakeholders and may not be used for any other purpose. This assurance opinion statement is prepared based on the information presented by the LG CNS. The verification does not extend beyond such information and is solely based on it. In performing such verification, the Assurer has assumed that all such information is complete and accurate.

LG CNS is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the Report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to LG CNS only.

The Assurer is responsible for providing LG CNS's management team with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of LG CNS. The Assurer will not, in providing this Independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person or party by whom the Independent assurance opinion statement may be read.

Scope

The scope of engagement agreed upon with LG CNS includes the following:

- Report contents covering the period from January 1 to December 31, 2025, with some performance data from the first half of 2026.
- Major assertions included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- Confirmation of the Report's compliance with the AA1000 AccountAbility Four Principles and, where applicable, the reliability of the sustainability performance information contained within the Report, based on the type of sustainability assurance performed in accordance with AA1000 AS v3.

The following contents were not included in the scope of assurance.

- Financial information in Appendix.
- Index items related to other international standards and initiatives other than the GRI.
- Other related additional information such as the website, annual business report.

Assurance Level and Type

The assurance level and type are as follows;

- Moderate level based on AA1000 AS and Type 1 (confirmation of adherence to the four principles as described in the AA1000 AccountAbility Principle 2018)

Description and sources of disclosures covered

Based on the scope and methodology of assurance applied, the Assurer reviewed the following disclosures based on the sampling of information and data provided by LG CNS.

Universal Standards

2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers), 2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies and practices), 2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

Topic Standards

201-1&2, 205-2&3, 206-1, 302-1~4, 303-3~5, 305-1~5, 306-3~5, 308-2, 401-1~3, 402-1, 403-1~10, 404-1~3, 405-1&2, 406-1, 413-1&2, 414-2, 418-1

Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities;

- Validation of the materiality assessment and internal analytical process for determining assurance priorities, and a top-level review of issues that may be raised by external stakeholders in the context of sustainability.
- Discussion with managers and representatives on stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.
- Review of the system for sustainability management strategy process and implementation.
- Review of the materiality issue analysis process and prioritization and verifying the results.
- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures.
- An assessment of LG CNS's reporting and management processes against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the HQ of LG CNS to confirm the data collection processes, record management practices.

Limitations and approach used to mitigate limitations

The Assurer performed limited verification for a limited period based on the data provided by LG CNS. It implies that the Assurer is therefore subject to limitations relating to inherent risks that may exist without the identification of material errors. The Assurer does not provide assurance on possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

INDEPENDENT ASSURANCE OPINION STATEMENT

Competency and Independence

British Standards Institution (BSI) is a leading global standards and assessment body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social and environmental management with over 120 years of history in providing independent assurance services globally. No member of the assurance team has a business relationship with LG CNS. The Assurer has conducted this verification independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as an AA1000AS assurer, have extensive assurance experience, and have in-depth understanding of the BSI Group's assurance standard methodology.

Opinion Statement

The assurance was conducted by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. The Assurer planned and performed the verification and collected sufficient evidence to explain LG CNS's approach to the AA1000 Assurance Standard and to provide confidence in its self-declaration of compliance with the GRI Standards.

On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer did not identify any material errors or misstatements in the information and data included in the Report. We believe that the economic, social and environment performance indicators are accurate and are supported by robust internal control processes.

Conclusions

The Report is prepared in accordance with the GRI Standards. (Reporting in accordance with the GRI standards). A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards is set out as below.

Inclusivity: Stakeholder Engagement and Opinion

LG CNS categorizes its key stakeholders, who exert a significant influence on the company's business activities, into customers, investors, partners, employees, and operates tailored communication channels for each group. Through these communication channels, the company regularly collects stakeholder feedback and requirements to reflect them in its management activities, including strategy formulation and implementation, and transparently discloses this entire process through the report.

Materiality: Identification and reporting of material sustainability topics

LG CNS has established a process for formulating sustainability strategies and identifying material reporting issues. For key sustainability topics, the company defined specific details for each sub-category and conducted an IRO (Impact, Risk, Opportunity) analysis to assess the impacts, risks, and opportunities of each issue. Through this approach, the company identified the positive and negative impacts of its business activities on the environment and society, alongside potential risks and opportunities from a financial perspective. Furthermore, stakeholder surveys involving both internal and external participants were conducted in tandem to enhance the credibility and validity of the materiality assessment results. Consequently, human capital management, information security & privacy protection, and technological innovation were selected as core material issues. The primary activities and future plans related to these issues are transparently disclosed in this report.

Responsiveness: Responding to material sustainability topics and related impacts

LG CNS operates a management process for key material issues identified within the context of sustainability through its materiality assessment. To effectively reflect the expectations of relevant key stakeholders, the organization utilizes its unique, established management methodology. In accordance with this approach, the company transparently discloses its major response performances including the management methodologies, outcomes, and improvement plans related to the reported material issues through the Report.

Impact: Impact of an organization's activities and material sustainability topics on the organization and stakeholders

LG CNS has established a process to identify and assess the impacts of its core reporting issues on the organization and its stakeholders. The results of the analysis regarding the impacts, risks, and opportunities associated with these core reporting issues are utilized in decision-making to formulate tailored response strategies for each specific issue, and this entire process is transparently disclosed through the Report.

Recommendations and Opportunity for Improvement

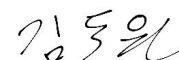
The Assurer provides the following observations to the extent that they do not affect the assurance opinion; It is recommended to expand beyond domestic industry peer comparisons by benchmarking the ESG disclosure indicators of global leading companies with similar business models (BM), thereby strengthening alignment with global environmental and social disclosure standards.

GRI-reporting

LG CNS has self-declared compliance with GRI Standards. Based on the data and information provided by LG CNS, the Assurer confirmed that the Report is prepared in accordance with the GRI Standards, and confirmed there are no errors in the disclosures related to the Universal Standards and Topic Standards Indicators. No sector standard is applied.



Issue Date: 04/06/2026
For and on behalf of BSI (British Standards Institution)



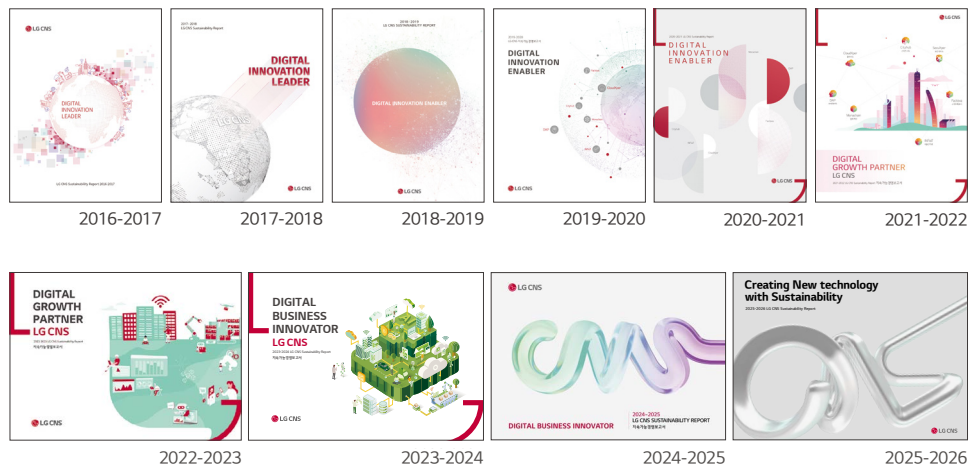
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LG CNS Sustainability Report Publications



LG CNS Sustainability Report can be downloaded from the company's website (<https://www.lgcns.com/en/>).

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