

2020 Corporate Governance Report

LG Electronics Inc.

Our company has compiled this Report to help investors understand the current status of our corporate governance in accordance with Article 24, Paragraph 2 of the Regulations on Issuance, Public Disclosure, etc. of Securities. This Report contains the status of our company's corporate governance as of December 31, 2020. Any changes in the Report as of the date of its submission are stated separately.

The details of activities related to corporate governance in this Report are those applicable to the public disclosure period concerned (January 1, 2020-December 31, 2020), except in cases of those applicable to different periods as specified in the guidelines.

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Overview

- **Corporate Name: LG Electronics**
- **Prepared by: (Chief) Sim Sang-bo, IR Head
(Assistant) Kim Eun-sun, IR Planning Team**
- **Data as of: December 31st, 2020**
- **Corporate Overview**

Largest Shareholders	LG Corporation and one other	Percentage Share of Largest Shareholders ¹⁾	33.67%
		Percentage Share of Minority Shareholders ²⁾	58.43%
Field (financial/non-financial)	Manufacturing (non-financial) of electronic components, computers, and video, audio and communication equipment	Main Products	Refrigerators, Washing machines, TVs, Mobile devices, Automotive parts, etc.
Applicability to Corporate Group of Fair Trade Act	Applicable	Applicability of Act on the Management of Public Institutions	Not applicable
Corporate Group Name	LG		

Financial Status Summary (unit: 100 million won)

	2020	2019	2018
Consolidated Sales	632,620	623,062	613,417
Consolidated Profit	31,950	24,361	27,033
Consolidated Profit from Continuing Operations	24,556	5,286	20,086
Consolidated Net Profit	20,638	1,799	14,728
Consolidated Total Assets	482,042	448,599	443,284
Separate Total Assets	297,000	274,749	278,655

1) As of date of report (based on ordinary shares))

1. Corporate Governance Policy

A) Corporate Governance Principles

Our company considers it essential to practice sound and transparent corporate governance in order to ensure its continuous growth, increase its value, and protect the rights and interests of its shareholders. To this end the company implements “BOD-centered management” to guarantee the soundness and transparency of its corporate governance. The company recruits independent directors, who account for more than 50% of its board members, from various fields of expertise to prevent any skewing of the board toward certain common backgrounds or fields. The company also provides the directors with support sufficient to enable them to fulfill their duties.

As just mentioned, more than 50% of the board members (four out of seven) are independent directors, as this allows the BOD to execute its function of keeping management’s conduct of business in check. Furthermore, the independent directors are selected transparently and fairly by the Independent Director Candidate Recommendation Committee (on which independent directors comprise a majority), which thoroughly examines any possible legal reasons for disqualification, conflicts of interest or relationships with the company.

Our company complies with the “principle of diversity” in forming its BOD, to ensure that it is not composed of a majority of members from a specific common background and does not represent any particular interests. In terms of the actual operation of the BOD, our company endeavors to recruit people from diverse areas of expertise, so as to prevent it from tilting toward specific backgrounds or professions. As the independent directors are experts from industrial, financial/accounting and administrative fields, the BOD can deliberate soundly on the items of agendas suggested to it, by drawing on its members’ diverse personal backgrounds and areas of expertise, and can efficiently monitor how management conducts its business. Further, our company has formed (under the BOD) a Business Management Committee, which is entrusted with the power to decide on issues that do not require collective decision-making by all board members, to thereby facilitate efficient corporate governance.

Meanwhile, a BOD Secretariat has been set up to support board members in their efforts to make the very best business decisions, which holds a preliminary briefing session for members prior to each BOD meeting, while providing them with sufficient information on the details of the agenda.

B) Governance Features

(i) Structure of BOD with independent directors making up majority

The BOD, in its capacity as the company’s highest decision-making body, appoints as independent directors legitimate external personages who are equipped with diverse types of expertise and come from varied backgrounds and whose independence has been verified, so as to heighten the BOD’s efficiency and strengthen its function of ensuring management compliance. At present, four of the seven board members (57% of the total) are independent directors, and they thus constitute a majority.

(ii) Operation with focus on committees under BOD

There are three committees (the Audit Committee, Business Management Committee, and Independent Director Candidate Recommendation Committee) operating under the BOD, and a total of 23 committee meetings were convened during 2020. As per an announcement dated April 28, 2021, we also plan to operate the ESG Committee (formed on April 28, 2021) and the Internal Transactions Committee (to be formed on July 1, 2021), bringing the number of committees under the BOD to five. The Audit Committee and the Independent Director Candidate Recommendation Committee must be established in accordance with the relevant laws. The Business Management Committee is responsible for deliberation and decision-making on matters delegated to it by the BOD, while the ESG Committee is charged with establishing basic policies and overseeing ESG risks and the results of related implementations for effective ESG management, and the Internal Transactions Committee will approve internal transactions and oversee their execution.

(iii) Strengthening expertise of independent directors

Our company's independent directors consist of experts from the industrial, financial/accounting and administrative fields. In order to recruit the most suitable independent directors, the company selects a group of candidates in line with very strict standards through interviews, and pre-verification of potential grounds for a candidate's disqualification (delinquency, management of an insolvent company, legal reasons for disqualification, etc.) is conducted by the relevant divisions. The BOD Secretariat supports the independent directors in the fulfillment of their duties. Specifically, it holds a preliminary briefing session prior to each BOD meeting, to allow the directors to review the main meeting issues in detail in advance, and provides internal and external training, arranges periodic visits to main business sites, etc. for newly elected independent directors, to help them to adapt to our company's BOD-led corporate culture as quickly as possible.

(iv) Diversity of BOD

Our company endeavors to comply with the "Principle of Diversity" to ensure that the directors do not share common backgrounds or represent specific interests. Consequently, we work to ensure that directors are equipped with unique varieties of expertise and prevent biases towards certain backgrounds or walks of life, a practice exemplified by our selection of Professor Kang Soo-jin, a renowned legal expert, as a new female director in 2021, which further strengthened the diversity of the BOD.

C) Governance Status

As of the date of this report, the current status of our company's governance (BOD, committees under BOD) is as follows:

Internal Body	Composition (Number of independent directors/ Total members)	Chairperson (committee president) (Independent or not)	Major roles
Board of Directors	4/7	Young Soo Kwon (Non-executive)	<ul style="list-style-type: none"> - Approving BOD resolutions in accordance with the law and the Articles of Incorporation - Approving agenda items to be proposed to general shareholders' meetings - Approving decisions on major financial issues - Approving mid- to long-term strategies and business policies, HR matters, etc.

Audit Committee	3/3	Dae Hyung Kim (Independent)	<ul style="list-style-type: none"> - Auditing overall company business including financial status - Supervising tasks carried out by directors and management - Approving selection of external auditors, and supervising their audit work - Assessing actual operational status of internal accounting management system, and operational status of internal supervision system
Independent Director Candidate Recommendation Committee	2/3	Young Soo Kwon (Non-executive)	<ul style="list-style-type: none"> - Recommending independent directors after verification of independence, diversity and capabilities of candidates for independent director - Regular management and verification of groups of candidates for independent director
Business Management Committee	0/3	Bong Seok Kwon (Executive)	<ul style="list-style-type: none"> - Approving individual loans within annual limits, and issuance of company bonds and CP (corporate bills) - Certifying payments under certain amount limits, and signing or extending credit limit agreements - Establishing, relocating and closing branches - Approving operations related to general business, financial issues and other matters delegated by BOD
ESG Committee ¹⁾	4/5	To be elected	<ul style="list-style-type: none"> - Establishing and approving basic policies and strategies for effective ESG management - Setting up and approving mid- to long-term ESG goals - Supervising planning and performance in implementation of ESG management activities - Supervising serious ESG-related risks and responses to them
Internal Transactions Committee ²⁾	3/4	To be elected	<ul style="list-style-type: none"> • Approving transactions with largest shareholder and related persons, in amounts exceeding certain thresholds • Approving transactions with counterparties subject to self-interest regulations under Fair Trade Act, in amounts exceeding certain thresholds • Approving internal dealings requiring BOD approval under relevant laws • Supervising matters with regard to internal transactions on which limits have been approved by BOD.

1) Newly established on April 28, 2021

2) To be newly established on July 1, 2021 based on approval of BOD on April 28, 2021

2. Shareholders

(Core Principle 1) Shareholder Rights

Shareholders should be provided with sufficient information in a timely manner so as to allow them to exercise their rights through the appropriate procedures.

(Principle 1-①)

The company should provide shareholders with sufficient information, on the time, date, venue and agenda, etc. of the shareholders' meeting, within a sufficient length of time prior to that meeting.

A) Status of General Shareholders' Meetings and Information Provision

Our company officially announces the dates, times, locations, agendas and other information related to general shareholders' meetings through DART (Data Analysis, Retrieval and Transfer System, <http://dart.fss.or.kr>). For the last three years, an announcement has been made at least three weeks prior to each general shareholders' meeting. Regular general shareholders' meetings are held within three months after the closing of each business year, in accordance with the Commercial Act, whereas extraordinary shareholders' meetings are held as and when necessary. During the past three years our company has convened a total of three general shareholders' meetings and no extraordinary ones, the details of which follow.

(i) (Table 1-②-1) Shareholders' meetings convened during periods from starts of business years immediately before public disclosure periods until disclosure filing dates

Category	2020 Regular General Shareholders' Meeting	2019 Regular General Shareholders' Meeting	2018 Regular General Shareholders' Meeting
Date meeting set	2021.02.25	2020.02.28	2019.02.18
Convocation notice date	2021.03.02	2020.03.05	2019.02.18
General shareholders' meeting date	2021.03/24 (Wed)	2020.03/26 (Thu)	2019.03/15 (Fri)
Time between notice date and shareholders' meeting date	22 days	21 days	25 days
Venue/Area	Auditorium, 1st basement floor, LG Twin Tower	Auditorium, 1st basement floor, LG Twin Tower	Auditorium, 1st basement floor, LG Twin Tower
Methods of notifying shareholders of shareholders' meeting	Sending of convocation notices (to shareholders with shares of 1% or more), announcements on company website, Financial Supervisory Service's DART site, and online announcement system of London Stock Exchange	Sending of convocation notices (to shareholders with shares of 1% or more), announcements on company website, Financial Supervisory Service's DART site, and online announcement system of London Stock Exchange	Sending of convocation notices (to shareholders with shares of 1% or more), announcements on company website, Financial Supervisory Service's DART site, and online announcement system of London Stock Exchange
Whether notices made in languages that foreigners might understand, and method of providing them	Posting of convocation notice on online announcement system of London Stock Exchange, including description of agenda which is also mailed separately to major shareholders	Posting of convocation notice on online announcement system of London Stock Exchange, including description of agenda which is also mailed separately to major shareholders	Posting of convocation notice on online announcement system of London Stock Exchange, including description of agenda which is also mailed separately to major shareholders

Other details	Whether directors attended meeting	2 of 7 members attended	2 of 7 members attended	2 of 7 members attended
	Whether auditor or audit committee members attended meeting	1 of 3 members attended	1 of 3 members attended	1 of 3 members attended
	Contents of shareholders' remarks	No speaker	1) Speakers: 1 individual shareholder 2) Main remarks: Opposition to limits on director compensation	No speaker

B) Early Notification of General Shareholders' Meetings

According to the Commercial Act the notice of convocation of a general shareholders' meeting must be made two weeks prior to that meeting. For the past three years our company has given official notice of convocation at least three weeks before each general shareholders' meeting. The company provides shareholders with sufficient meeting information including the date, time, location and agenda of each meeting, as well as a business overview and other member-related news. In particular, for foreign shareholders who have difficulty reading the official notification information in Korean, the company has provided official meeting notifications and other relevant information through the RNS of the London Stock Exchange, while also sending emails to major foreign shareholders.

However, it would currently be impracticable to adopt the "4-week prior notification method" set out in the Korea Corporate Governance Service's Corporate Governance Standards, considering the difficulties in managing the board's schedule and the settlement dates, including the possibility of having to advance the February board meeting by more than one week. We cannot say with certainty that our company will adopt the 4-week prior notification method at any time in the future, but we will consider the possibility of adopting more rapid methods of providing shareholders with information related to general shareholders' meetings when fixing the schedules for the January and February board meetings and issuing the meeting notifications.

Furthermore, in line with the amendment of the Commercial Act we now notify shareholders of the shareholders' meetings in advance by posting the company's business report and audit report on the company website and DART up to one week prior to each meeting.

(Principle 1-②)

The company should allow as many shareholders as possible to attend the shareholders' meetings, so that they can state their views.

A) Matters Regarding (In)Direct Voting Rights of Shareholders

(i) (Table 1-②-1) Whether shareholders' meetings convened on the dates other than main dates of shareholders' meetings, during periods from starts of business years immediately before public disclosure periods until disclosure filing dates

Category	19th Regular General Shareholders' Meeting	18th Regular General Shareholders' Meeting	17th Regular General Shareholders' Meeting
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Main dates of other regular general shareholders' meetings	2021.03.26,30, 31	2020.03.13, 20, 26, 27	2019.03.22, 27, 28, 29
Regular general shareholders' meeting date	2021.03.24	2020.03.26	2019.03.15
Regular general shareholders' meeting distribution	Applicable	Not applicable	Applicable
Voting in writing	No	No	No
Electronic voting	Yes	No	No
Proxy solicitation	Yes	Yes	Yes

We determine the dates of our shareholders' meetings by taking into account the management activities of registered directors and the BOD's schedule, as well as external factors such as the planned date of the shareholders' meeting of the holding company. The 19th Regular General Shareholders' Meeting was convened on a date different from the main dates of other shareholders' meetings that we were able to determine by participating in the voluntary shareholders' meeting distribution program initiated by the Korea Listed Companies Association (which aims to facilitate participation in shareholders' meetings by improving the rates of attendance of small-scale shareholders).

Please refer to [Table 1-②-1] regarding the details. We will work to ensure that future shareholders' meetings are held on dates different from the main dates of other shareholders' meetings, in line with the voluntary shareholders' meeting distribution program.

(ii) Introduction of vote-in-writing/electronic voting system and proxy solicitation

Paragraph 3, Article 369 of the Commercial Act requires that the company introduce the vote-in-writing system, through which shareholders may exercise their voting rights without personally attending the shareholders' meeting according to its Articles of Incorporation; however, as of yet our Articles of Incorporation do not contain a provision concerned with votes made in writing.

In a bid to improve shareholders' convenience, we decided as of January 28, 2021 to introduce the electronic voting system as specified in Paragraph 4, Article 368 of the Commercial Act. This was implemented on March 24, 2021 at the 19th Regular General Shareholders' Meeting.

As our company has put into place a proxy solicitation (power of attorney) system, to enable shareholders to exercise their voting rights by proxy without having to attend shareholders' meetings, the same goal in terms of voting participation can be attained without the introduction of vote-in-writing or the electronic voting system.

For reference, our company produces reference documents (including power of attorney forms) and provides them officially at DART, in accordance with the Capital Markets Act, while also providing power of attorney forms on the company website.

(iii) [Table 1-②-2] Shares of 'yeas' and 'nays' and detailed results of voting on agenda items of shareholders' meetings held during periods from starts of business years immediately before public disclosure periods until disclosure filing dates

Regular		19th Regular General Shareholders' Meeting			2021.3.24	
Agenda	Resolution category	Meeting purposes	Passed or not	No. of shares with voting rights (①)	No. of shares executing voting rights among ① (A)	No. of votes for (B) (Share, %)
						No. of votes against and blank ballots (C) (Share, %)
Item 1	Ordinary	Approving 19th (20.01.01~20.12.31) financial statement	Passed	162,884,638	125,139,420	111,964,133 (89.5%)
						13,175,287 (10.5%)
Item 2	Special	Approving amendment of Articles of Incorporation	Passed	162,884,638	125,139,420	125,132,578 (100.0%)
						6,842 (0.0%)
Item 3	Ordinary	Bae Doo-yong (as executive director)	Passed	162,884,638	125,139,420	123,107,165 (98.4%)
						2,032,255 (1.6%)
Item 4	Ordinary	Approving Kang Soo-jin (as independent director to join Audit Committee)	Passed	101,304,299	63,559,081	63,010,130 (99.1%)
						548,951 (0.9%)
Item 5	Ordinary	Approving limits on director compensation	Passed	162,884,638	125,139,420	124,941,119 (99.8%)
						198,301 (0.2%)
Item 6	Special	Approving division plan ¹⁾	Passed	180,065,938	129,554,549	129,489,953 (100.0%)
						64,596 (0.0%)

1) Preferred shares provided with voting rights in accord with Paragraph 3, Article 530 of Commercial Act

Regular		18th Regular General Shareholders' Meeting			2020.3.26	
Agenda	Resolution category	Meeting purposes	Passed or not	No. of shares with voting rights (①)	No. of shares executing voting rights among ① (A)	No. of votes for (B) (Share, %)
						No. of votes against and blank ballots (C) (Share, %)
Item 1	Ordinary	Approving 18th (19.01.01~19.12.31) financial statement	Passed	162,884,642	117,012,595	106,753,126 (91.2%)
						10,259,469 (8.8%)
Item 2	Special	Approving amendment of Articles of Incorporation	Passed	162,884,642	117,012,595	117,012,595 (100.0%)
						0 (0.0%)
Item 3	No. 3-1	Ordinary	Kwon Bong-suk (as executive director)	Passed	162,884,642	111,288,200 (95.1%)
						5,720,421 (4.9%)
	No. 3-2	Ordinary	Bae Doo-yong (as executive director)	Passed	162,884,642	111,288,200 (95.1%)
						5,720,421 (4.9%)

	No. 3-3	Ordinary	Baek Yong-ho (as independent director)	Passed	162,884,642	117,008,621	111,288,200 (95.1%) 5,720,421 (4.9%)
	Item 4	Ordinary	Baek Yong-ho (as Member of Audit Committee)	Passed	102,045,038	56,172,992	53,765,947 (95.7%) 2,407,045 (4.3%)
	Item 5	Ordinary	Approving limits on director compensation	Passed	162,884,642	117,012,595	115,503,088 (98.7%) 1,509,507 (1.3%)

A) Taking Action to Induce Maximum Participation in General Shareholders' Meetings

As explained above, our company has not implemented the vote-in-writing system. However, through the electronic voting and proxy solicitation systems we seek to satisfy the quorum requirements and facilitate shareholders' convenience in exercising their voting rights, to thereby maximize their participation in the general shareholders' meetings.

Concerns have been voiced about the difficulty of achieving a quorum due to the continuous spread of the COVID-19 epidemic since last year, but shareholders' convenience has been improved thanks to the adoption of measures such as the electronic voting system, enhanced proxy solicitation, and participation in the voluntary shareholders' meeting distribution program, all of which have led to higher attendance than seen during last year. We will work to ensure that more active measures are implemented to improve shareholders' meeting attendance further.

(Principle 1-③)

The company should ensure that shareholders can freely make proposals in establishing the agendas of the general shareholders' meetings, and can freely ask questions and request explanations concerning the items on the agenda during each meeting.

A) Regarding Shareholders' Proposal Rights

(i) Informing shareholders via company homepage of procedures for making proposals, etc.

Shareholders holding 3% or more of the total outstanding shares of a firm, excluding those without voting rights, in accordance with Item 1, Paragraph 2, Article 363 of the Commercial Act, or those who have held 0.5% or more of a firm's outstanding shares excluding those without voting rights for six consecutive months in accordance with Paragraph 6, Article 542 of the Commercial Act, may make proposals on matters such as the appointment of a director, in writing or online up to six weeks prior to the date of the shareholders' meeting (or the date of the month of the previous year's meeting in the case of the general shareholders' meeting).

We do not currently offer notifications on the company website or any other place of the procedures for shareholders making proposals, but the procedures may be implemented as specified with regard to shareholders' proposal rights under the Commercial Act, and the IR Planning Team is responsible for overseeing their implementation.

(ii) Internal standards and procedures for handling agenda items proposed by shareholders

There are currently no internal criteria or procedures for processing a shareholder's proposal.

However, in order to faithfully guarantee shareholders' proposal rights we process their proposals lawfully by reporting them to the BOD, which will in turn pass a resolution to convene a shareholders' meeting after checking whether the person making a proposal is a shareholder, and whether there has been any related violation of the Articles of Incorporation or the relevant laws. We plan to continue to offer such channels of communication to our shareholders going forward.

(iii) Proposals by shareholders and status of their implementation, during periods from starts of business years immediately before public disclosure periods until disclosure filing dates

No proposals from shareholders have been submitted to us during the past three years.

(iv) Details and statuses of open letters received from institutional investors to fulfill their fiduciary responsibilities, during periods from starts of business years immediately before public disclosure periods until disclosure filing dates

During the past three years our company has not received any open letters regarding the responsibilities of institutional investors as fiduciaries.

B) Ease of Shareholder Execution of Proposal Rights

As noted above, our company has not received any proposals from shareholders during the past three years. Although we do not currently provide any guidance on this on our website, etc., we do guarantee shareholders' rights to make proposals at the general shareholders' meetings, in accordance with the relevant laws. Further, we ensure that all shareholders' proposals are discussed as items of the agendas of the shareholders' meetings, through resolutions of the BOD.

(Principle 1-④)

The company should establish mid- to long-term policies and future plans regarding payouts, including dividend payouts, and shall provide the relevant information to shareholders.

A) Shareholder Payout Policy

(i) Policy concerning shareholder payouts including dividends, and future plans

Our shareholder payout is made through the yearly dividend, which is determined based on comprehensive account taken of not just current year profits, the yearly cash flow and future strategic investments, but also of better value for shareholders and an expansion of payouts as the top priority.

The yearly dividend for business year 2020 totaled KRW 216.9 billion (1,200 won for ordinary shares, and 1,250 won for preferred shares). This was set 60% higher than in the previous year, in reflection of the company's improved performance, and was announced through the notice on "Decision on Cash and In-kind Dividends" based on the BOD resolution of January 28, 2021, and then finalized by approval at the 19th general shareholders' meeting on March 24, 2021.

In order to maximize our shareholders' value, our dividends will be determined in consideration of internal and external changes in the business environment, without compromising our future investment resources and financial structure. Our mid- to long-term payout policies will be announced upon completion of an internal review.

(ii) Method of notification of shareholder payout policy, etc.

The above-mentioned payout policy of our company has been announced in the quarterly performance report materials and also posted on our website. In January of each year, the BOD determines the dividend amount and announces the confirmed payout date via an official notification issued before the notice of convocation of the general shareholders' meeting. The amount of the payout is finalized at the general shareholders' meeting, and the payout is made to shareholders within one month after the general shareholders' meeting. Information on dividends for business year 2020 was provided in the notice on "Decision on Cash and In-kind Dividends" based on the BOD resolution of January 28, 2021, and the full amount has been paid as of April 23, 2021.

B) Sufficient Provision to Shareholders of Relevant Information Related to Establishment of Shareholder Payout Policy, etc.

As detailed above, we present information on dividends in the quarterly performance announcement and also post it on the company website. In addition, we provide clear and sufficient answers to any related inquiries from individual shareholders, as well as questions arising in IR meetings including conference calls.

(Principle 1-⑤)

The company should respect the shareholders' rights to receive appropriate amounts of dividends based on the payout policy and future plans.

A) Shareholder Payouts

(i) [Table 1-⑤-1] Shareholder payouts in past 3 business years

(shares, won, 100 million won, %)

Business year	Financial closing month	Share type	Share dividend	Cash Dividend				
				Per-share dividend (won)	Total dividend ¹⁾ (100 million won)	Market dividend rate ²⁾	Dividend payout ratio ³⁾	
							Consolidated	Individual
2020	Dec.	Ordinary shares	-	1,200	1,954	1.1	11.0	17.9
		Preferred shares	-	1,250	215	2.5		
2019	Dec.	Ordinary shares	-	750	1,222	1.0	434.4	N/A * Current net profit and loss
		Preferred shares	-	800	137	2.8		
2018	Dec.	Ordinary shares	-	750	1,222	1.2	11.0	N/A * Current net profit and loss
		Preferred shares	-	800	137	3.1		

1) Total payout per business year

2) Ratio of per-share dividend amount relative to arithmetic mean of closing prices in exchange market over past one week starting from two trading days prior to date of shareholder list closure

3) Total dividends / Consolidated or individual net profit

(ii) Implementation and records of differentiated dividends, quarterly dividends and interim

dividends for past three business years

Our company has paid out cash dividends continuously for the past three years, and has not implemented differentiated dividends, quarterly dividends or interim dividends during that period.

B) Respect for Shareholders' Rights to Receive Appropriate Dividend Amounts

We have provided dividends even when the current consolidated net profit is poor or the consolidated net cash flow is negative (-), in a bid to improve shareholder value. The yearly dividends for the 2020 business year are 1,200 won for ordinary shares and 1,250 won for preferred shares, set 60% higher than those for 2019 in reflection of our improved performance in order to return benefits and represent our respect for shareholders' rights.

(Unit: 100 million won)

Category	2015	2016	2017	2018	2019	2020
Net cash flow* (consolidated)	6,547	5,838	Δ5,054	1,005	16,239	21,664
Net profit attributable to parent (consolidated)	1,244	769	17,258	12,401	313	19,683
Total dividends	729	729	729	1,359	1,359	2,169
Against net cash flow (%)	11.1	12.5	-	135.2	8.4	10.0
Against net profit of controlling shareholders (%)	58.6	94.8	4.2	11.0	434.4	11.0

* Net Cash Flow: Sum of cash flows from business activities, investment, and foreign exchange fluctuation effects

(Core Principle 2) Fair Treatment of Shareholders

The company should provide shareholders with voting rights fairly in accordance with the types and numbers of shares held, and make efforts to establish a system for fairly providing company information to shareholders.

(Principle 2-①)

The company should make every effort to avoid violating shareholders' voting rights and provide shareholders with sufficient company information in a timely and fair manner.

A) Status of Share Issuance as of Date of this Report's Preparation

Table 2-①-1 below summarizes the status of share issuance. According to the Articles of Incorporation of our company, the number of issuable shares is 600,000,000 (300,000,000 each of ordinary and of preferred shares, valued at 5,000 won per share for both types). Currently, the numbers of outstanding ordinary and outstanding preferred shares stand at 163,647,814 and 17,185,992, respectively.

(i) [Table 2-①-1] Issuable shares, outstanding shares and their types

Category	Issuable shares ¹⁾	Outstanding shares ²⁾	Remarks
Ordinary shares	300,000,000	163,647,814	Own stock: 763,176
Different classes of shares Preferred shares	300,000,000	17,185,992	Own stock: 4,693

1) Number of authorized shares as of date of report (number of shares in Articles of Incorporation)

2) Total number of shares issued and sold as of date of report - Total number of shares removed (through capital reduction,

acquisition of own shares, etc.) as of date of report

(ii) Granting voting rights for different classes of shares and grounds for doing so, general shareholders' meetings for certain classes of shares, etc.

Pursuant to Paragraph 3, Article 530 of the Commercial Act, we have accorded voting rights to preferred shares based on "Approval of the Division Plan," Agenda Item 6 of the 19th General Shareholders' Meeting. The resolution was passed with yea votes of 129,489,953 shares (100.0%), the same as the number of outstanding shares with voting rights (129,554,549), out of a total of 180,065,938 outstanding shares with voting rights issued including preferred shares. There have been no general shareholders' meetings for different classes of shares within the past three years.

B) Fair Assignment of Voting Rights

For ordinary shares, our Company grants one voting right per share as provided under Article 369 of the Commercial Law, so as to allow all shareholders to exercise their voting rights fairly.

C) Communication with Shareholders

Our company publicly discloses the provisional calculation of its business performance in early January, April, July and October of each year (effective since Q1 2016), and holds regular conference calls to explain the quarterly performance three weeks after each disclosure of these provisional outcomes.

Conference calls are webcast live on our company's website (<http://www.lge.co.kr/lgekor/company/ir/irMain.do>), to ensure that all investors have fair access. The relevant outcomes are also disclosed publicly and provided on the website. In addition, to ensure transparency in its providing of information, the company operates a quiet period from the end of each quarter to the day when the business performance for that quarter is announced. As summarized in [Table 2-①-2], our company frequently conducts IR activities, through participation in conferences held by securities companies, meetings of investors, conference calls, etc. From the start of the business year immediately preceding the public disclosure period up until the disclosure filing date, we undertook 47 IR activities.

(i) (Table 2-①-2) Shareholders' meetings, IR activities, conference calls, and "Talks with Shareholders" conducted during time from start of business year immediately before public disclosure period until disclosure filing date

Date	Target	Type	Main contents
2020.01.30	Investors, analysts and press	Conference call	Announcement of business performance (4th quarter, 2019)
2020.02.03 ~ 02.06	Domestic institutional investors	NDR ¹⁾	Business performance review (4th quarter, 2019) and Q&A
2020.02.18 ~ 02.20	Foreign (in Asia) institutional investors	NDR	
2020.02.28	Foreign (in Americas) institutional investors	Conferences held by securities company (Daiwa)	
2020.03.11	Foreign (in Asia) institutional investors	Conferences held by securities companies (JPMorgan)	
2020.04.29	Investors, analysts and press	Conference call	Announcement of business performance (1st quarter, 2020)
2020.05.07 ~ 05.14	Domestic institutional investors	NDR	Business performance review (1st quarter, 2020) and Q&A
2020.05.15 ~ 05.20	Foreign (in Asia/Americas) institutional investors	Conferences held by securities companies (CLSA)	

2020.05.27 ~ 28	Foreign (in Americas) institutional investors	Conferences held by securities companies (Daiwa)	Announcement of business performance (2nd quarter, 2020)	
2020.07.30	Investors, analysts and press	Conference call		
2020.07.31~08.07	Domestic institutional investors	NDR		
2020.08.18~08.19	Foreign (Global) institutional investors	Conferences held by securities companies (Korea Investment and Securities)		
2020.08.20	Foreign (in Asia) institutional investors	Conferences held by securities companies (Nomura)		
2020.08.24	Foreign (Global) institutional investors	Conferences held by securities companies (JPMorgan)		
2020.08.25 ~ 08.27	Foreign (in Americas) institutional investors	Conferences held by securities companies (Samsung Securities)		
2020.08.28	Foreign (in Asia) institutional investors	Conferences held by securities companies (Citi)		
2020.09.07 ~ 09.08	Foreign (in Asia) institutional investors	Conferences held by securities companies (Credit Suisse)		
2020.09.16	Foreign (in Asia) institutional investors	Conferences held by securities companies (KB Securities)		
2020.09.17	Foreign (in Asia) institutional investors	Conferences held by securities companies (UBS)		
2020.09.22	Foreign (in Americas) institutional investors	Conferences held by securities companies (BofA)	Business performance review (1st quarter, 2020) and Q&A	
2020.10.30	Investors, analysts and press	Conference call		
2020.11.03 ~ 11.09	Domestic institutional investors	NDR		
2020.11.10 ~ 11.11	Foreign (Global) institutional investors	Conferences held by securities companies (Korea Investment and Securities)		
2020.11.12	Foreign (in Asia) institutional investors	Conferences held by securities companies (UBS)		
2020.11.17	Foreign (in Asia) institutional investors	Conferences held by securities companies (JPMorgan)		
2020.11.18 ~ 11.19	Foreign (in Americas) institutional investors	Conferences held by securities companies (CIMB)		
2020.11.24	Foreign (in Asia) institutional investors	Conferences held by securities companies (CSLA)		
2020.11.27	Foreign (in Asia) institutional investors	Conferences held by securities companies (Nomura)		
2020.12.01	Foreign (in Asia) institutional investors	Conferences held by securities companies (Daiwa)		
2021.01.29	Investors, analysts and press	Conference call		Announcement of business performance (3rd quarter, 2020)
2021.02.02 ~ 02.08	Domestic institutional investors	NDR		
2021.02.15	Foreign (in Asia) institutional investors	Conferences held by securities companies (NH Securities)		
2021.02.16	Foreign (in Americas) institutional investors	Conferences held by securities companies (Samsung Securities)		
2021.02.16	Foreign (Global) institutional investors	Conferences held by securities companies (BofA)		
2021.02.17 ~ 02.18	Foreign (Global) institutional investors	Conferences held by securities companies (Korea Investment and Securities)		
2021.02.24 ~ 02.25	Foreign (in Americas) institutional investors	Conferences held by securities companies (JPMorgan)		
2021.03.02	Foreign (Global) institutional investors	Conferences held by securities companies (Nomura)		
			Business performance review (1st quarter, 2020) and Q&A	

2021.03.05	Foreign (in Asia) institutional investors	Conferences held by securities companies (Citi)	Announcement of business performance (1st quarter, 2021)
2021.03.30	Foreign (Global) institutional investors	Conferences held by securities companies (CSLA)	
2021.03.31	Foreign (in Asia) institutional investors	Conferences held by securities companies (CS)	Business performance review (1st quarter, 2021) and Q&A
2021.04.29	Investors, analysts and press	Conference call	
2021.05.03 ~ 05.10	Domestic institutional investors	NDR	
2021.05.11 ~ 13	Foreign (Global) institutional investors	Conferences held by securities companies (JPMorgan)	
2021.05.18 ~ 21	Foreign (Global) institutional investors	Conferences held by securities companies (NH Securities)	
2021.05.24	Foreign (in Asia) institutional investors	Conferences held by securities companies (Citi)	
2021.05.26 ~ 27	Foreign (Global) institutional investors	Conferences held by securities companies (Daiwa)	
2021.05.31	Foreign (in Asia) institutional investors	Conferences held by securities companies (Nomura)	

1) Non-deal roadshow (investment briefing where discussions held with no deals offered)

(ii) Publication of all contact information of IR department on company website

Our company website contains an "Investor Relations" page (<https://www.lge.co.kr/lgekor/company/ir/irMain.do>), and a section which provides information on the company's BOD as well as various reports including its financial and sales reports. Emails can be sent to the IR Department via the Contact IR page within that section. The phone numbers of the IR Department are not provided on the website, but are included in official notifications such as that of the performance presentation.

(iii) Website in English for foreign shareholders, disclosure of manager contact information, and public disclosures in English

Visitors to our website can send emails to the IR Department using the "Contact IR" menu. In addition, we offer an English-language version of our website (<https://www.lg.com/global/investor-relations>) so that foreign investors and shareholders can enjoy the same level of in-depth information as their Korean counterparts, including performance reports, financial statements, and audit reports published in English. We also publish relevant information in English on the London Stock Exchange site and the KIND of the KRX, the details of which follow.

[Table 2-①-3] Disclosures in English during time from start of business year immediately before public disclosure period until disclosure filing date

Disclosure date	Disclosure title	Major contents
2020.01.08	2019 4Q Pre-earnings Guidance	Provisional performance of 4th quarter, 2019
2020.01.30	Annual Financial Report	Finalized performance of 4th quarter, 2019
2020.03.05	Notice of AGM	Confirmation of 18th Regular General Shareholders' Meeting
2020.04.08	2020 1Q Pre-earnings Guidance	Provisional performance of 1st quarter, 2020
2020.04.29	1st Quarter Results	Finalized performance of 1st quarter, 2020
2020.07.07	2020 2Q Pre-earnings Guidance	Provisional performance of 2nd quarter, 2020
2020.07.30	Half-year Report	Finalized performance of 2nd quarter, 2020

2020.10.08	2020 3Q Pre-earnings Guidance	Provisional performance of 3rd quarter, 2020
2020.10.30	3rd Quarter Results	Finalized performance of 3rd quarter, 2020
2021.01.08	2020 4Q Pre-earnings Guidance	Provisional performance of 4th quarter, 2020
2021.01.29	Annual Financial Report	Finalized performance of 4th quarter, 2020
2021.03.02	Notice of AGM	Confirmation and official notification of 19th Regular General Shareholders' Meeting
2021.04.07	2021 1Q Pre-earnings Guidance	Provisional performance of 1st quarter, 2021
2021.04.28	Establishment of committees within BOD to improve corporate governance	Announcement of establishment of committees under BOD to improve governance
2021.04.29	1st Quarter Results	Finalized performance of 1st quarter, 2021

(iv) Fair disclosure

The following is the list of fair disclosures made by our company from the start of 2019 until the present. For reference, our company provisionally summarizes the quarterly results that are of high interest to investors, and releases this to the public about three weeks before the quarter's earnings are announced.

(Table 2-1-4) Fair disclosures during time from start of business year immediately before public disclosure period until disclosure filing date

Disclosure date	Disclosure title	Main contents
2020.01.08	Performance (provisional) based on consolidated financial statement (fair disclosure)	Provisional performance of 4th quarter 2019, including revenue, business profit, etc.
2020.01.30	[Revision] Performance (provisional) based on consolidated financial statements (fair disclosure)	Revenue, business profit, profit from continuing operations before deduction of corporate tax, net profit and net profit attributable to parent, of 4th quarter 2019
2020.04.07	Performance (provisional) based on consolidated financial statements (fair disclosure)	Provisional performance of 1st quarter 2020, including revenue, business profit, etc.
2020.04.29	[Revision] Performance (provisional) based on consolidated financial statements (fair disclosure)	Revenue, business profit, profit from continuing operations before deduction of corporate tax, net profit and net profit attributable to parent, of 1st quarter 2020
2020.07.07	Performance (provisional) based on consolidated financial statements (fair disclosure)	Provisional performance of 2nd quarter 2020, including revenue, business profit, etc.
2020.07.30	[Revision] Performance (provisional) based on consolidated financial statements (fair disclosure)	Revenue, business profit, profit from continuing operations before deduction of corporate tax, net profit and net profit attributable to parent, of 2nd quarter 2020
2020.10.08	Performance (provisional) based on consolidated financial statements (fair disclosure)	Provisional performance of 3rd quarter 2020, including revenue, business profit, etc.
2020.10.30	[Revision] Performance (provisional) based on consolidated financial statements (fair disclosure)	Revenue, business profit, profit from continuing operations before deduction of corporate tax, net profit and net profit attributable to parent, of 3rd quarter 2020
2021.01.08	Performance (provisional) based on consolidated financial statements (fair disclosure)	Provisional performance of 4th quarter 2020, including revenue, business profit, etc.
2021.01.29	[Revision] Performance (provisional) based on consolidated financial statements (fair disclosure)	Revenue, business profit, profit from continuing operations before deduction of corporate tax, net profit and net profit attributable to parent, of 4th quarter 2020

2021.04.07	Performance (provisional)) based on consolidated financial statements (fair disclosure)	Provisional performance of 1st quarter 2021, including revenue, business profit, etc.
2021.04.29	[Revision] Performance (provisional)) based on consolidated financial statements (fair disclosure)	Revenue, business profit, profit from continuing operations before deduction of corporate tax, net profit and net profit attributable to parent, of 1st quarter 2021

(v) Designation as company providing insincere disclosure, related details, and efforts to prevent second designation

We have never been designated as a company providing insincere disclosure.

D) Timeliness of and Fairness in Disclosing Corporate Information

We make concerted efforts to provide all of our shareholders with sufficient relevant and necessary information in a fair and timely manner, and provide fair public disclosures in compliance with the public disclosure regulations of the Financial Services Commission and the Korea Stock Exchange. In order to prevent confusion in the market, the company discloses its (provisional) performance approximately three weeks before the related conference call. Further, the quarterly conference calls and webcasts of the performance announcement in both Korean and English were integrated from the 2nd quarter of 2020, thereby ensuring that all pertinent information is provided in a fair and timely manner not only to local investors but also to foreign ones, in conjunction with our more frequent IR activities undertaken for local and overseas institutional investors. In recognition of these efforts, the Korean Investor Relations Service presented us with an Excellence Award at the 2020 Korea IR Awards.

Corporate information can in addition be found on the company's website and electronic systems to which it provides public disclosure such as DART (<http://dart.fss.or.kr>) and KIND (<http://kind.krx.co.kr>). Our website also provides functions for viewing our corporate sustainability reports, business reports, audit reports, management information such as the membership and operational status of the BOD, the statuses of shares and shareholders, financial information, electronic notifications, etc.

We also announce major matters in English on the KIND of the KRX and the London Stock Exchange, in an effort to communicate actively with foreign investors and provide both local and foreign investors with corporate information in a fair and timely manner.

(Principle 2-②)

The company should set up and operate mechanisms to prevent and protect shareholders from fraudulent internal dealing and self-dealing by the controlling shareholder or other shareholders.

A) Tools for Controlling Internal and Self Dealings (Policy)

To prevent any members of management or controlling shareholders from engaging in internal dealings or self-dealings for personal gain and benefit, Article 14 of the BOD Regulations stipulates that the "approval of transactions between a director and the company" is subject to resolution by the BOD. The company is also tightening its controls against internal and self-dealing by prohibiting board directors having specific interests in a particular item presented for BOD resolution from exercising their voting rights in that case. In accordance with Clause 3, Article 542-9 of the Commercial Act, prior approval of the BOD is necessary if the annual transactions with LG (the largest shareholder), persons

affiliated with it and those affiliated with our company account for more than 5% of total assets/sales, or if the size of an individual transaction of this kind represents more than 1% of total assets/sales. Furthermore, under Article 398 of the Commercial Act, any transactions made with major shareholders - such as LG, LG subsidiaries of which LG holds 50% or more of the shares, daughter companies of the subsidiaries, and companies for which there may be causes for concern about conflicts of interest in cases where the same person holds posts in different companies - must be approved by the BOD. In addition, as the Fair Trade Act stipulates that large internal transactions worth more than 5 billion won with affiliated companies must be approved by the BOD and made public, our company, as one of the LG Group companies, discloses all such transactions after subjecting them lawfully to the BOD approval process. The related disclosures are available for checking on DART.

On April 28, 2021, moreover, the BOD passed a resolution to form a new Internal Transactions Committee within the company structure from July 1, 2021, in order to enhance our controls over internal dealings and improve the transparency of corporate management and business fairness.

B) Transactions with Interested Parties Including Controlling Shareholder

The following transactions with LG Group affiliates within Korea have been included in the business report, in compliance with the Fair Trade Act. Please refer to "X. Dealings with Interested Parties" in the 2020 Business Report.

※ Asset transactions made with affiliates in LG Group during public disclosure period

(Unit: 1 million won)

Counterpart in deal	Relationship	Transaction type	Product	Purpose	Month	Transaction amount	Remarks	Business terms
LG Chem Ltd.	Affiliate	Asset transfer	Mechanical equipment, etc.	Improving efficiency in electric parts business	2020.03	3,331	Does not require BOD's approval and was implemented after filing internal transaction request; Transaction profit of 462 million won	Cash Payment on transaction date
LG Innotek Co., Ltd.	Affiliate	Asset transfer	Mechanical equipment, etc.	Sell-off of molds/dies and related equipment	2020.12	639	Does not require BOD's approval and was implemented after filing internal transaction request; Transaction profit of 639 million won	Payment in cash within 30 days after transaction date
LGEIN	Affiliate	Asset transfer	Mechanical equipment, etc.	Production facilities transfer for improving	2020.02 ~12	14,848	Does not require BOD's approval and was	Payment in cash within 30 days after

				production efficiency			implemented after filing internal transaction request; Transaction profit of 1,769 billion won	transaction date
LGEVH	Affiliate	Asset transfer	Mechanical equipment, etc.	Production facilities transfer for improving production efficiency	2020.01 ~12	5,622	Transaction amount does not exceed threshold for dealings with interested persons as approved by BOD on January 29, 2019, with total profit being 300 million won	Payment in cash within 60 days after transaction date
LGEVU	Affiliate	Asset transfer	Mechanical equipment, etc.	Production facilities transfer for improving production efficiency	2020.12	6,039	Does not require BOD's approval and was implemented after filing internal transaction request; Transaction profit of 802 million won	Payment in cash within 60 days after transaction date
LGEMA	Affiliate	Asset transfer	Mechanical equipment, etc.	Production facilities transfer for improving production efficiency	2020.02 ~12	1,221	Does not require BOD's approval and was implemented after filing internal transaction request; Transaction profit of 766 million won	Payment in cash within 60 days after transaction date
LGETH	Affiliate	Asset transfer	Mechanical equipment, etc.	Production facilities transfer for improving production efficiency	2020.04 ~12	973	Does not require BOD's approval and was	Payment in cash within 30 days after

							implemented after filing internal transaction request; Transaction profit of 546 million won	transaction date
LGEPN	Affiliate	Asset transfer	Mechanical equipment, etc.	Production facilities transfer for improving production efficiency	2020.12	716	Does not require BOD's approval and was implemented after filing internal transaction request; Transaction loss of 5 million won	Payment in cash within 60 days after transaction date
LGETA	Affiliate	Asset transfer	Mechanical equipment	Production facilities transfer for improving production efficiency	2020.08~09	659	Does not require BOD's approval and was implemented after filing internal transaction request; Transaction profit of 468 million won	Payment in cash within 45 days after transaction date
LGEBR	Affiliate	Asset transfer	Mechanical equipment, etc.	Production facilities transfer for improving production efficiency	2020.02~10	633	Does not require BOD's approval and was implemented after filing internal transaction request; Transaction profit of 568 million won	Payment in cash within 90 days after transaction date
LGENT	Affiliate	Asset transfer	Tools and equipment	Production facilities transfer for improving production efficiency	2020.06~10	216	Does not require BOD's approval and was implemented after filing internal transaction request; Transaction	Payment in cash within 45 days after transaction date

							n profit of 81 billion won	
LGENV	Affiliate	Asset transfer	Tools and equipment	Production facilities transfer for improving production efficiency	2020.07	146	Does not require BOD's approval and was implemented after filing internal transaction request; Transaction profit of 4 billion won	Payment in cash within 120 days after transaction date
LGETR	Affiliate	Asset transfer	Tools and equipment	Production facilities transfer for improving production efficiency	2020.08~09	118	Does not require BOD's approval and was implemented after filing internal transaction request; Transaction profit of 14 billion won	Payment in cash within 60 days after transaction date
LGERS	Affiliate	Asset transfer	Tools and equipment	Production facilities transfer for improving production efficiency	2020.01	111	Does not require BOD's approval and was implemented after filing internal transaction request; Transaction profit of 28 billion won	Payment in cash within 30 days after transaction date

※ Sales transactions with Korean LG Group affiliates with total amounts accounting for 5% or more of revenue of most recent business year within public disclosure period

(Unit: 1 million won)

Name of affiliate	Relationship	Transaction type	Transaction period	Transaction details	Transaction amount
Hi Plaza Co., Ltd.	Affiliate	Sales, purchases, etc.	2020.01.01~2020.12.31	Selling and buying of electronic products such as TVs, refrigerators, etc.	2,087,387

3. Board of Directors

(Core Principle 3) Functions of BOD

The BOD should determine the business goals and strategies for the benefit of the company and shareholders, and effectively supervise management.

(Principle 3-①)

The BOD should effectively execute its functions of management decision-making and supervision of management.

A) Systems and Mechanisms Enabling BOD to Serve Smoothly as Focal Point in Corporate Management

(i) Matters subject to deliberation and resolution by BOD as per Articles of Incorporation or BOD's own regulations

Our company's BOD, as the highest decision-making body of the company established based on the Commercial Act, makes decisions on major issues that are subject to BOD approval in accordance with the relevant laws and the Articles of Incorporation, important financial matters involving amounts of money exceeding certain limits, mid- and long-term strategies and business policies, personnel issues, and other major issues related to the committees operating under the BOD. In addition to the regular BOD meetings held quarterly, BOD meetings are held whenever matters occur which require resolution by the BOD. The details of matters that should be deliberated and decided on by our company's BOD are stipulated in Article 32 of the Articles of Incorporation and Article 14 of the BOD Regulations. The main contents are shown in the following table.

Category	Main matters subject to BOD approval
BOD resolutions based on Commercial Act and Articles of Incorporation	<ul style="list-style-type: none"> • Convoking general shareholders' meetings • Approving business reports • Approving financial statements • Appointing and dismissing company representatives • Appointing and dismissing managers [delegation of these tasks to Business Management Committee] • Establishing, relocating and closing branches [delegation of these tasks to Business Management Committee] • Making decisions regarding issuance of new shares and handling forfeited shares and fractional shares • Issuing new shares through ordinary public offering • Issuing corporate bonds • Making decisions regarding convertible bond issuance • Making decisions regarding issuance of bonds with warrants • Making decisions regarding transferability of stock warrants • Formal capitalization of reserve • Approving transactions between directors, etc. and company • Approving competitive business and exercising intervention rights by directors • Establishing, operating and closing committees, and appointing and dismissing committee members • Enacting, revising and abolishing committee operation regulations • Making decisions regarding short-form mergers, short-form mergers through division, small-scale mergers, and small-scale mergers through division

	<ul style="list-style-type: none"> • Reporting mergers and consolidations • Canceling stock options • Determining interim dividend amounts • Designating shareholder name transfer agents • Determining shareholder list closing period and dates • Share retirement • Approving appropriation of company's opportunities and assets • Enacting, revising and abolishing compliance management standards • Appointing and dismissing compliance officers
Agendas to be proposed to general shareholders' meetings	<ul style="list-style-type: none"> • Transferring all or important parts of a business • Leasing the entirety of a business or delegating its management • Signing, amending or canceling contracts on which all operating profits and losses are shared with others, or other similar contracts • Acquiring all or parts of a business that critically affects company's overall operations • Share dividends • Reducing capital • Amending Articles of Incorporation • Appointing and dismissing directors and Audit Committee members • Compensation for directors • Assigning stock options • Dissolution, merger, division, merger through division, continuation of company • Issuing shares at prices below par • Exempting directors from liabilities to company • Reporting transactions with interested persons including largest shareholder and its interested persons pursuant to Article 542, Paragraph 9 of Commercial Act • Other agendas to be submitted for consideration pursuant to relevant laws or Articles of Incorporation
Finance-related matters of significance	<ul style="list-style-type: none"> • Providing guarantees or securities for other parties (Minimum limit for guarantees or securities for subsidiaries is 100 billion won.) • Acquiring and selling businesses and assets (only cases involving 100 billion won or more subject to approval) • Selling investments and shares (only cases involving 100 billion won or more subject to approval) • Investing in facilities (only cases involving 100 billion won or more subject to approval) • Setting and increasing annual limits on loans (excluding loans secured by receivables) and on issuance of corporate bonds and CP (corporate bills) • Large-sized internal transactions under Fair Trade Act • Approval of transactions and/or their total amounts when involving interested persons including the largest shareholder and its interested persons pursuant to Article 542, Paragraph 9 of Commercial Act • Selling investments or shares used to incorporate, establish or exclude subsidiaries under Fair Trade Act
Mid- and long-term strategies and business policies	<ul style="list-style-type: none"> • Setting strategic business directions • Assessing current year's business performance and establishing business plans and reaching agreement on goals for following year
Personnel issues	<ul style="list-style-type: none"> • Personnel issues (excluding assignments to positions) concerning executives and their compensations • Appointing chief financial officer
Other matters	<ul style="list-style-type: none"> • Issues defined by other laws or the Articles of Incorporation, issues delegated to BOD at general shareholders' meetings, and issues that BOD chairperson recognizes as requiring deliberation

(ii) Existence of matters not subject to deliberation on or resolution by BOD under relevant laws (such as autonomous addition of matters for deliberation or resolution, or tightening of loan limits, their major details, and effects of BOD's deliberation

Matters related to business policies such as business plans and goals for the next year, personnel and payment management for executive officers, establishment and operation of committees operating under the BOD, enactment and revision of committee operating regulations, resolutions on proposals made in the general shareholders' meetings, important financial issues (provisions of guarantees or securities for other parties, acquisitions/disposals of businesses and assets, investments in facilities, etc.) do not require BOD deliberation under the relevant laws but are subject to deliberation or decision-making by the BOD pursuant to the company's Articles of Incorporation or the BOD Regulations, so that the BOD is able to execute the actual decision-making and supervisory functions in matters crucial to management of the company.

(iii) Delegation of BOD's rights to committees or CEO (or company representative)

Article 33, Paragraph 1 of our company's Articles of Incorporation, and Article 13, Paragraph 1 of the BOD Regulations stipulate that an Audit Committee, Independent Director Candidate Recommendation Committee and other committees necessary to the BOD's operations should be established as mandated by the Commercial Act. Furthermore, the BOD may delegate some of its powers to the committees under it to the extent that doing so does not breach the relevant laws or the Articles of Incorporation, in accordance with Article 13, Paragraph 2 of the BOD Regulations. Therefore, our company assigns some of the important financial matters defined in Article 14, Paragraph 1, and Clause 3 of the BOD Regulations to the Business Management Committee, so as to enhance the operational efficiency of the BOD. At the same time, notification of matters subject to resolution by the Business Management Committee is provided to each director, as stipulated in Article 13 of the Business Management Committee Regulations, in order for the BOD to have control over such matters. In addition, in the event that matters deliberated and decided on by the Business Management Committee are considerably beyond the scope delegated to it by the BOD or go against the purpose of that delegation, directors can under Article 14 of the Business Management Committee Regulations request a BOD meeting to re-deliberate and re-decide on matters that have already been resolved by the Business Management Committee. Refer to [Table 4-①-3] of this governance report for the matters delegated to each committee under the BOD.

B) Effective Functioning of BOD

As detailed above, our company's BOD works to effectively carry out its functions of making management decisions and supervising management, by clarifying the matters subject to deliberation and decision-making stated in the Articles of Incorporation and the BOD Regulations, and this requires that certain crucial management matters not dealt with in the relevant laws be deliberated and decided on by the BOD, as well as the formation and operation of committees based on the committee policies as stipulated by the relevant laws, and the provision of overall support through the BOD Secretariat.

(Principle 3-②)

The BOD should establish and operate a CEO succession policy (including a policy for emergency appointment), while also working continually to improve it.

A) Establishment of CEO Succession Policy (Including Emergency Appointment Policy), and Continuous Efforts to Improve It

We have set up and operate an internal process for CEO succession. We also select candidates for the post of CEO from among directors and external figures, who are then screened for recommendation.

(i) Principal of establishment and operation of succession policy

Article 31 of the Articles of Incorporation and the BOD Regulations both grant the authority to designate the CEO to the BOD, while our company's HR Department is responsible for establishing and operating the succession policy. The qualifications required of CEO candidates include, but are not limited to, experience serving as a CEO (including business operation and job experience), current capabilities, experience/leadership required for implementing mid- to long-term strategies, and the appropriateness of the appointment's timing.

(ii) Main items of CEO succession policy, including candidate (group) selection, management and education

① CEO candidate (group) screening policy

CEO candidates are categorized into two groups - those who are immediately available (the short-term group), and those who can begin serving within three to five years in the future (the long-term group). Candidates in both groups are selected twice each year, in the first and the second halves. Their qualifications are discussed by the top executives, including HR executives, and the best candidates are selected on a yearly basis.

② Training for candidate groups

The CEO candidate group members are provided with internal and external training (including job rotations) as well as mentoring/coaching in accordance with their own development plans and assessments of their individual capabilities. The candidates also undergo in-depth interviews, and receive leadership coaching and opportunities to take part in executive programs held outside the LG Group.

③ Succession procedure

The matter of succession of the CEO is introduced to the BOD, which finalizes the CEO candidate choice after deliberating on whether the candidate recommended is capable of operating the company in a direction that will both fulfill the interests of the company and the shareholders and realize the company's core values and visions. The finalized CEO candidate is appointed as an executive director at the shareholders' meeting, followed by his or her appointment as CEO according to a resolution of the BOD that concludes the succession procedure.

Until his/her appointment the CEO candidate will prepare for succession by serving as an executive director at the shareholders' meeting, so as to ensure the continuity and stability of corporate management. The former CEO is also typically commissioned to serve as the advisor in accordance with the HR management regulations, so as to facilitate as smooth a transition as possible following the succession procedure.

(iii) Training during public disclosure period

The directors selected as CEO candidates each year undergo 1:1 interviews with the current CEO. Around 30 candidates and directors will go through this process in 2021, and about 20 of them will receive customized training in the forms of lectures, case studies and discussions, in order to determine which of their capabilities they will need to improve as CEO candidates in the medium to long term. In addition, some 40 candidates attend our leadership coaching program, which is designed to enhance their leadership skills by focusing on their individual strengths and weaknesses.

(iv) Emergency plan

If the current CEO becomes incapacitated due to an unexpected event or sudden health issue, one

candidate from the short-term group who is available for immediate appointment is designated as the acting CEO, and subsequently appointed to that post by the BOD to conclude the emergency succession procedure. Article 31 of our Articles of Incorporation and the BOD Regulations stipulate that the BOD has the right to appoint the CEO in such an eventuality. In the event that the CEO cannot perform his/her duties due to an accident, etc., one of the next level executives (chairperson, vice-chairperson, president, vice-president, executive director, managing director), a non-executive director, or a person separately chosen by the BOD may take over and continue to carry out the CEO's duties by proxy in order to fill that vacancy.

(Principle 3-③)

The BOD should establish and operate an internal control policy (for risk management, compliance management, internal accounting management, public disclosure information management, etc.), and continuously improve and supplement it.

A) Internal Control Policy

(i) Policies for recognition and management of risks, etc., and their operational statuses

In response to the various possible risks that can arise during the management processes, the related departments take systematic and effective countermeasures and report on important related issues to the BOD for its approval.

To enable it to manage the risks that may arise in various areas of the company's business, the BOD stipulates, as matters for deliberation, all BOD resolutions based on the Commercial Act and the Articles of Incorporation, proposals of items for the agendas of the general shareholders' meetings, important financial affairs, mid- and long-term strategies and business policies, personnel issues, other matters stipulated by law and the Articles of Incorporation, issues delegated to the BOD by the general shareholders' meetings, and other matters as deemed necessary by the BOD chairperson. In order to effectively monitor possible risks, the BOD receives and examines reports on the results of execution of responsibilities delegated to its committees, the Audit Committee's judgments of any violations or concerns about possible violations of the laws or the Articles of Incorporation by board directors, the results of compliance management evaluations conducted by the compliance officer, and matters regarding the company's fulfillment of its social responsibilities.

Further, to facilitate the long-term and sustainable growth of the company the BOD has approved the autonomous formations of the ESG Committee and the Internal Transaction Committee under its structure, the former of which preemptively manages environmental, social and governance-related risks while the latter reviews large-scale internal dealings under the Fair Trade Act and transactions with interested persons under the Commercial Act, as well as enforcing operating criteria stricter than those required for BOD approval, in order to enhance internal control over internal dealings. Please refer to "(a)" of (Principle 8-①) for details of the structure and authorities etc. of these committees under the BOD.

Apart from the committees operating under its structure, the BOD resolved in April 2021 to also form an Enterprise Risk Management Committee in an effort to enhance the risk management system. The Enterprise Risk Management Committee shall in normal times implement the risk management procedures for company-wide control over all risks and supervise the risk management capabilities and activities of each division and function, while in the event of an emergency or urgent situation serving as the comprehensive situation room that promptly sets up the emergency response committee. This committee shall be complemented by a Risk Management Office, under which there will be subcommittees for each main risk category

(operational, EH&S, compliance, information security, disaster) to carry out activities such as providing precautionary guidelines and checking risk factors. There will in addition be risk management subcommittees operated by each business division, to deal with the risks arising in each area of business.

(ii) Policies on compliance management, internal accounting management and public disclosure management, and their operational statuses

With regard to internal accounting management, our company has established internal accounting management regulations that stipulate the roles and responsibilities of its representative(s), internal accounting manager and Audit Committee, as well as the design and operation of internal accounting management policy, etc. The company reflects the results of evaluations and reports in its policy, and executes its internal accounting management policy in order to provide reasonable conviction that the company's financial statements have been written and publicly disclosed in accordance with the K-IFRS.

Our company's representatives and internal accounting manager assess the effectiveness of the design and operation of the company's internal accounting management policy each business year, as a part of its duty to prevent and discover errors or fraudulent acts that distort or might distort the financial statements. The company representatives and internal accounting manager use the "Conceptual System for Design and Operation of the Internal Accounting Management Policy," as announced by the Internal Accounting Management Policy Committee to design and implement the internal accounting management policy, and use the "Standards for Evaluating and Reporting the Internal Accounting Management Policy" to assess the current status of design and operation of that policy.

Every year the company representative reports on the operational status of the internal accounting management policy to the general shareholders' meetings, the BOD and the Audit Committee, after which the Audit Committee evaluates the reported operational status and reports the results of its evaluation to the BOD. Our company also discloses publicly the internal accounting management policy operation report, as an attachment to the business report.

Regarding compliance risks, we appoint the director holding a lawyer's license to check our own compliance with legal compliance standards, in accordance with Paragraph 13, Article 542 of the Commercial Act, and also set up a Compliance Office staffed by a compliance supervision team, compliance investigation team, and compliance management team, which diagnose compliance and check our compliance status. Additionally, each division appoints a compliance manager to actively share with staff the relevant legal information and supply guidance on preemptive management compliance risks, while providing compliance training for prevention of any related problems.

In accordance with the Commercial Act, the company stipulates the enactment, revision and abolition of legal compliance standards as well as the appointment and dismissal of compliance officers as items subject to resolution of the BOD, under Article 14, Paragraph 1 of the BOD Regulations. The results of inspection of the observance of legal compliance standards are also reported to the BOD once per year.

With regard to public disclosure management, our company appoints head and assistant public disclosure managers to manage the related risks, uses its own public disclosure management system to check public disclosure review requests made by the relevant departments and subsidiaries, and reviews each case from its initial stages, as necessary, in order to determine whether public disclosures can be made.

(iii) Main contents and operational statuses of additional internal control policies in operation

In connection with the safety of our employees and facilities, as well as the influence and impact of COVID-19 on our business, we have set up a COVID-19 situation room to deal with these issues at the company-wide level by analyzing and addressing the relevant issues involved. This is in addition to the Risk Management Committee, which is responsible for conducting more thorough checks in the event of a core crisis and has enterprise risk management functions focused on the BOD. Each business HQ and regional HQ operates a management system to identify any risks in the areas of business, EH&S and HR in a preemptive manner.

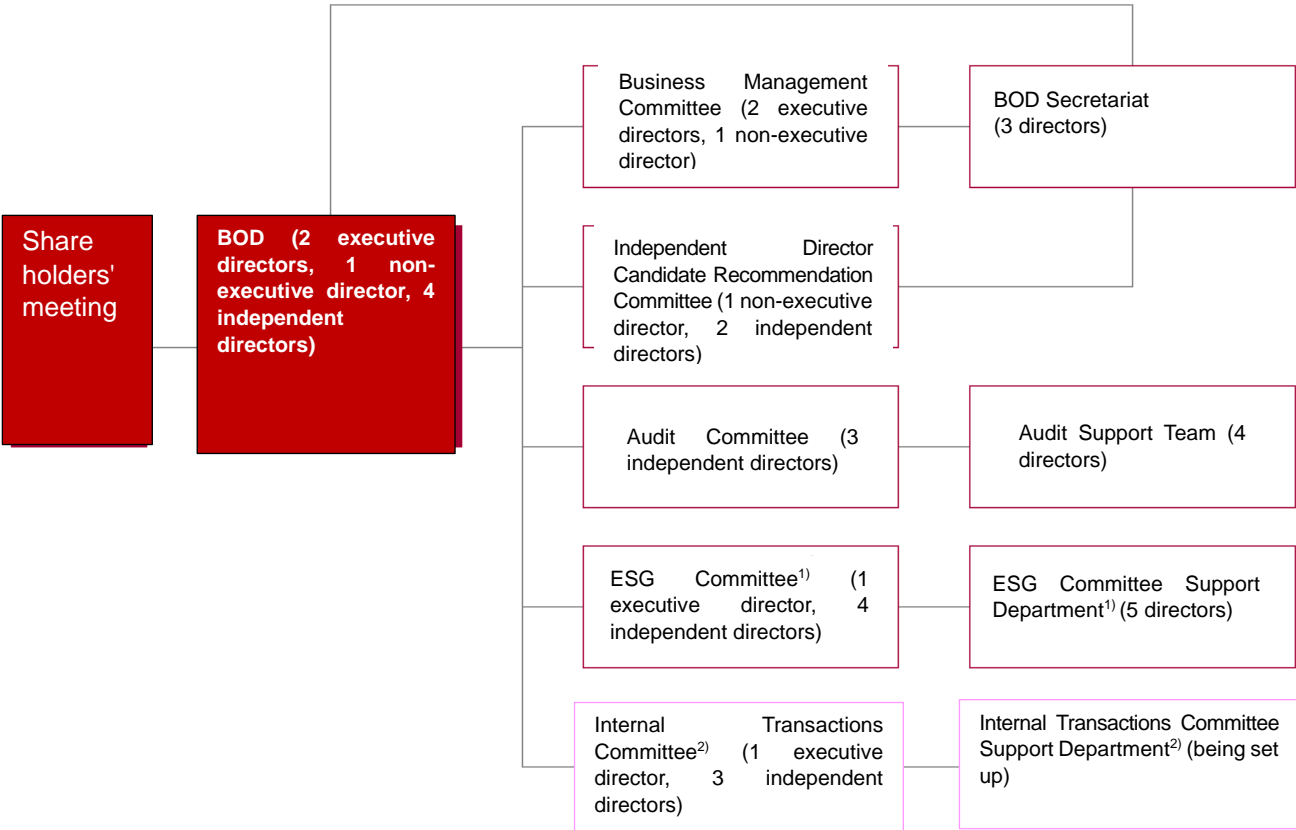
(Core Principle 4) Structure of BOD
The BOD should be structured so as to be able to efficiently make decisions and supervise management, and the board directors should be appointed through transparent procedures that reflect a wide range of shareholders' opinions.

(Principle 4-①)
The BOD should be structured so as to facilitate effective, prudent discussions and decision-making, and include a number of independent directors sufficient to enable it to function independently of management and the controlling shareholder.

A) Composition of BOD

The BOD now has four subcommittees for conduct of professional operations, and the Internal Transactions Committee to be added from July 1, 2021 will bring that number to five. Internal organizations provide support to each subcommittee in line with its specific functions.

(i) (Table 4-①-1) Organizational chart of BOD as of date of report



- 1) ESG Committee and supporting department added from April 28, 2021
 2) Internal Transactions Committee and supporting department to be added in July 2021

▷ (Table 4-①-2) Composition of BOD as of date of report

Category	Name	Gender	Positions	Initial appointment date ¹⁾	Scheduled expiry of term	Area of expertise	Career
Executive director	Kwon Bong-suk	Male	President of Business Management Committee, Member of ESG Committee	2020.03.26	Upon closure of 2023 Regular General Shareholders' Meeting	General company management	Current CEO of LG Electronics
Executive director	Bae Doo-yong	Male	Member of Business Management Committee and Internal Transactions Committee ³⁾	2020.03.26	Upon closure of 2024 Regular General Shareholders' Meeting	Financial affairs	Current CFO of LG Electronics
Non-executive director ²⁾	Kwon Young-su	Male	Chairman of Board, Chairman of Independent Director Recommendation Committee, Member of Business Management Committee	2019.03.15	Upon closure of 2022 Regular General Shareholders' Meeting	General company management	Current vice chair of LG
Independent director	Kim Dae-hyung	Male	President of Audit Committee, Member of Independent Director Recommendation Committee, ESG Committee, and Internal Transactions Committee ³⁾	2016.03.18	Upon closure of 2022 Regular General Shareholders' Meeting	Accounting, audit (chartered accountant)	Former CFO of GE Plastics China, Former CFO of GE Plastics Asia/Pacific
Independent director	Baek Yong-ho	Male	Member of Audit Committee and ESG Committee	2017.03.17	Upon closure of 2023 Regular General Shareholders' Meeting	Administration	Former Chair of Fair Trade Commission, currently Professor at Graduate School of Policy Science, Ewha Women's University
Independent director	Lee Sang-gu	Male	Member of Independent Director Recommendation Committee, ESG Committee and Internal Transactions Committee ³⁾	2019.03.15	Upon closure of 2022 Regular General Shareholders' Meeting	IT field	Current Professor of Department of Computer Science and Engineering at Seoul National University
Independent director	Kang Soo-jin	Female	Member of Audit Committee,	2021.03.24	Upon closure of 2024	Legal (Attorney)	Former Prosecutor at Seoul/Suwon/Daejeon

		ESG Committee and Internal Transactions Committee ³⁾		Regular General Shareholders' Meeting	District Prosecutor's Offices, currently Professor at Law School of Korea University
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- 1) Dates of initial appointment stated in cases of directors who have been reappointed
- 2) Refers to an "other" non-executive director. The Korean Commercial Act (Item 8, Para. 2, Article 317) requires registration of directors by categorizing them as executive directors, independent directors or other directors not engaged in company affairs on regular bases. The same classification is used in the following tables.
- 3) To be newly established on July 1, 2021 based on approval of BOD on April 28, 2021

(ii) (Table 4-①-3) Composition of BOD as of date of report

Our company's BOD is composed of from three to seven directors, as stipulated in Article 28 of the Articles of Incorporation. Under Article 383 of the Commercial Act, meanwhile, the BOD should be made up of at least three directors, and that number can increase up to seven as necessary for the sake of operational and decision-making process efficiency. The details concerning the board directors of the company and their committee memberships as of the date of this report are given below.

Committee	Composition					Main responsibilities of committee	Remarks
	Position	Category	Name	Gender	Concurrent positions ¹⁾		
Independent Director Candidate Recommendation Committee (3 directors) (A)	Chairperson	Non-executive director	Kwon Young-su	Male	C	1. Recommendation of director candidate(s) to be designated at shareholders' meeting, after verification of their independence, diversity, and capabilities 2. Regular management and verification of director candidate(s)	-
	Committee member	Independent director	Kim Dae-hyung	Male	B, D, E		
	Committee member	Independent director	Lee Sang-gu	Male	D, E		
Audit Committee (3 directors) (B)	Chairperson	Independent director	Kim Dae-hyung	Male	A, D, E	1. Auditing of overall company businesses including their financial statuses 2. Supervising tasks of directors and management 3. Approving selection of independent auditors, and supervising auditing tasks 4. Assessing actual operational status of internal accounting management system and operational status of internal supervision system 5. Carrying out other matters as determined by Articles of Incorporation or committee's own regulations regarding auditing tasks	-
	Committee member	Independent director	Baek Yong-ho	Male	E		
	Committee member	Independent director	Kang Soo-jin	Female	D, E		
Business Management Committee (3 directors) (A)	Chairperson	Executive director	Kwon Bong-suk	Male	E	1. Approving individual loans within annual limits and issuances of company bonds and CP (corporate bills) 2. Certifying payments under certain amount limits, and signing or extending credit limit agreements 3. Establishing, relocating and closing branches 4. Approvals related to matters delegated to it by BOD, including general business and financial matters	-
	Committee member	Executive director	Bae Doo-yong	Male	D		
	Committee member	Non-executive director	Kwon Young-su	Male	A		
Internal Transactions Committee ²⁾ (4 directors) (D)	Committee member	Executive director	Bae Doo-yong	Male	C	1. Approving transactions with largest shareholder and its interested persons in amounts exceeding certain thresholds under Commercial Act 2. Approving transactions with counterparties subject to self-interest regulations under Fair Trade Act 3. Approving internal dealings requiring BOD approval under the relevant laws 4. Supervising matters in regard to internal transactions of which the limits have been approved by BOD	Chair person to be elected
	Committee member	Independent director	Kim Dae-hyung	Male	A, B, E		
	Committee member	Independent director	Lee Sang-gu	Male	A, E		
	Committee member	Independent director	Kang Soo-jin	Female	B, E		
ESG Committee (5)	Committee member	Executive director	Kwon Bong-suk	Male	C	1. Establishing and approving basic policies and strategy for effective ESG management 2. Setting up and approving mid- to long-term ESG	Chair person

directors) (E)	Committee member	Independent director	Kim Dae-hyung	Male	A, B, D	goals 3. Supervising planning and performance in implementation of ESG management activities 4. Supervising serious ESG-related risks and the responses to them	to be elected
	Committee member	Independent director	Baek Yong-ho	Male	B		
	Committee member	Independent director	Lee Sang-gu	Male	A, D		
	Committee member	Independent director	Kang Soo-jin	Female	B, D		

1) Additional concurrent memberships as directors on other committees under the BOD are indicated with the code letters for those committees (A, B, C, etc.).

2) To be newly established on July 1, 2021 based on approval of BOD on April 28, 2021

(iii) Situation regarding independent directors (their number, proportion, consecutive terms)

Our company’s BOD, as its highest decision-making body with the power to appoint and dismiss the CEO, is operated centering around its independent directors. As of the date of this report four (i.e. 57%) of the seven board members are independent directors whose independence has been verified, and they thus comprise the independent director majority required to enhance the function of keeping management in check, and to fulfill the company’s obligation of appointing directors from diverse backgrounds equipped with diverse types of expertise so as to enhance BOD efficiency. This is exemplified by our selection of Professor Kang Soo-jin, a renowned legal expert, as a new female director in 2021, and attests to our efforts to reinforce diversity within the BOD. The following current independent directors have been reappointed one time each: Choi Jun-keun, Kim Dae-hyung and Baek Yong-ho.

Separation of CEO and BOD chair, etc.

Unlike many other companies, our CEO does not serve as the chair of the BOD, and that role is taken by another non-executive director.

B) Securing Efficiency, Independence, etc. through BOD Composition

As stated above, our company’s BOD is composed of directors drawn from various backgrounds and having diverse types of career experience. The company has formed sound committees and internal support organizations under the BOD so as to facilitate its holding of discussions and making decisions prudently and effectively. To support the BOD’s smooth operation the company has established as its internal support organization the BOD Secretariat, which conducts tasks such as reviewing legal matters and taking necessary measures related to the BOD’s agenda, reporting on the company’s management status to the independent directors, handling independent directors’ requests related to performance of their duties, etc. Specifically, the Secretariat holds a preliminary briefing session prior to each BOD meeting to enable the directors to review the main agenda issues in detail beforehand, and provides internal and external training for newly appointed independent directors to help them to quickly adapt to our company’s BOD-led corporate culture.

Department (Team) name	Number of members	Position	Main tasks
BOD Secretariat	3	1 senior vice president, 2 chief staff	<ul style="list-style-type: none"> • Explaining BOD agenda to independent directors beforehand • Providing independent directors with support on matters necessary to execution of their duties

As previously noted the BOD has four independent directors, which thus constitute the majority, while the

committees under the BOD are structured to enable them to carry out their functions free from influence of management and the controlling shareholders. The Audit Committee, for example, is made up entirely of independent directors, and the Independent Director Candidate Recommendation Committee and the ESG Committee both consist of all independent directors with the exception of one (non-)executive director each.

(Principle 4-②)

The BOD should be composed of competent persons in terms of knowledge and career achievements, having a diversity of expertise and responsibilities, who can contribute substantially to management of the company.

A) BOD Status

(i) Corporate policies to secure expertise, accountability and diversity (by appointing of female directors, etc.), and details of BOD membership

We reflect the "principle of diversity" in composition of the BOD so as to prevent a situation in which all members have the same specific or common background or represent a certain interest. Each member is in addition equipped with unique expertise, to ensure that the board as a whole is not biased toward a certain background or walk of life. Kang Soo-jin, a female director specializing in law newly appointed in 2021, is a prime example of our efforts for diversification in terms of age and gender. As the independent directors are composed of experts from the industrial, financial/accounting and administrative fields, the BOD is able to deliberate on the items of its agendas in a sound manner based on its members' varied personal backgrounds and areas of expertise, and effectively monitor management's conduct of its business.

The executive and non-executive directors of the company, having functioned as the heads of its business or finance divisions, have demonstrated and proven themselves to have excellent insights and experience in making decisions for the company that have produced meaningful outcomes. Kim Dae-hyung, a former CFO of a manufacturing company and a certified accountant in both Korea and the U.S., was reappointed in 2019, after having contributed to reliable operation of the Audit Committee and the BOD since March 2016. Baek Yong-ho, whose considerable experience as chairman of the Fair Trade Commission and Chief Secretary for Policy for the President of the Republic of Korea have equipped him with macroscopic views of industry and the economy overall, was reappointed in 2020 after having played a meaningful role as an independent director since March 2017. Lee Sang-gu boasts expertise in the fields of AI and software, which is expected to be valuable to the company's preparations of its future businesses, and was appointed to a post as independent director in 2019. Kang Soo-jin was newly appointed in 2021, based on expectations that she will make valuable contributions to decision-making for our continued growth by drawing on her expertise in corporate law, capital market law and criminal law, in addition to her experience in the public prosecutor's office, at law firms and in academia, and with the Korea Fair Trade Commission.

※ Career Histories of Directors

Category	Name	Career
Executive director	Kwon Bong-suk	Former senior vice president and head of Synergy Team of LG Group.
		Former president of HE Division and MC Division of LG Electronics
		CEO and president of LG Electronics
	Bae Doo-yong	Former head of management in Europe and vice president of LG Electronics

		Former president of Tax Affairs and Trade Division and executive vice president of LG Electronics
		CFO and executive vice president of LG Electronics
Non-executive	Kwon Young-su	Former president of Energy Solutions Company of LG Chem
		Former CEO of LG Uplus Corp.
		COO of LG Group
Independent director	Kim Dae-hyung	Former CFO of GE Plastics China
		Former CFO of GE Plastics Asia/Pacific
	Baek Yong-ho	Former director general of Fair Trade Commission
		Former director of National Tax Service
		Professor at Graduate School of Policy Science, Ewha Women's University
	Lee Sang-gu	Former head of Information Systems and Technology Department of Seoul National University
		Professor of Department of Computer Science and Engineering, Seoul National University
		Independent director of SK Gas
	Kang Soo-jin	Former prosecutor in regional offices in Seoul, Suwon and Daejeon
		Former litigation officer of Fair Trade Commission
		Professor at Korea University Law School

(ii) (Table 4-②-1) Director appointments and changes during periods from starts of business years immediately before public disclosure periods until disclosure filing dates

Category	Name	Initial date of appointment	Term expiry (scheduled)	Date of change in term	Reason for change	Presently active or not
Executive director	Bae Doo-yong	2020.03.26	Upon closure of 2024 Regular General Shareholders' Meeting	2021.03.24	Reappointed	Active
	Kwon Bong-suk	2020.03.26	Upon closure of 2023 Regular General Shareholders' Meeting	2020.03.26	Newly appointed	Active
	Jo Seong-jin	2016.03.18	Upon closure of 2021 Regular General Shareholders' Meeting	2020.03.26	Resigned	Retired
	Jeong Do-hyeon	2008.03.14	Upon closure of 2022 Regular General Shareholders' Meeting	2020.03.26	Resigned	Retired
Independent director	Kang Soo-jin	2021.03.24	Upon closure of 2024 Regular General Shareholders' Meeting	2021.03.24	Newly appointed	Active
	Choi Jun-keun	2015.03.19	Upon closure of 2021 Regular General Shareholders' Meeting	2021.03.24	Term expired	Retired
	Baek Yong-ho	2017.03.17	Upon closure of 2023 Regular General Shareholders' Meeting	2020.03.26	Reappointed	Active
	Lee Sang-gu	2019.03.15	Upon closure of 2022 Regular General Shareholders' Meeting	2019.03.15	Newly appointed	Active

	Kim Dae-hyung	2016.03.18	Upon closure of 2022 Regular General Shareholders' Meeting	2019.03.15	Reappointed	Active
	Lee Chang-woo	2013.03.15	Upon closure of 2019 Regular General Shareholders' Meeting	2019.03.15	Term expired	Retired
Non-executive	Kwon Young-su	2019.03.15	Upon closure of 2022 Regular General Shareholders' Meeting	2019.03.15	Newly appointed	Active
	Koo Bon-jun	2017.03.17	Upon closure of 2020 Regular General Shareholders' Meeting	2019.03.14	Resigned	Retired

B) Securing Diversity and Competitiveness of BOD Members

As it is composed of experts from the industrial, financial/accounting and administrative fields, the BOD is able to carry out sound deliberation of the agendas suggested to it based on the varied personal backgrounds and areas of expertise of its members, and effectively monitor management's conduct of its business.

(Principle 4-③)

The BOD should ensure fairness and independence in the process of recommending candidates and appointing directors.

A) Status of Independent Director Candidate Recommendation Committee (Composition, Activities, etc.)

There is no separate committee for appointing executive directors. The BOD discusses the selection of candidates, who are appointed at the shareholders' meeting.

In order for our company to ensure fairness and independence in the appointment of its independent directors, the Independent Director Candidate Recommendation Committee strictly inspects the candidates for their abilities to execute the assigned tasks in terms of independence, expertise, etc., based on the stipulations of the related laws such as Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act and the regulations of the Independent Director Candidate Recommendation Committee. The independent directors selected are then appointed at the general shareholders' meeting. During the public disclosure period the Independent Director Candidate Recommendation Committee, composed of Non-Executive Director Kwon Young-su (chairperson) and Independent Directors Choi Jun-keun and Kim Dae-hyung, was convened once, to reappoint Baek Yong-ho as independent director.

For reference, as of the date of this report the Independent Director Candidate Recommendation Committee is composed of Non-Executive Director Kwon Young-su (chairperson) and Independent Directors Lee Sang-gu and Kim Dae-hyung, along with Kang Soo-jin who was appointed as a new independent director in March 2021.

B) Provision to Shareholders of Sufficient Information on Candidates for Positions as Directors

(Table 4-③-1) Information provided on candidates for positions as directors during general shareholders' meetings held between start of business year immediately before public

disclosure period until disclosure filing date

Our company provides shareholders with detailed information on the candidates for positions as directors via official notification at least three weeks before the general shareholders' meeting concerned, so as to give them sufficient time to review and consider the candidates.

Date of information provision	Date of general shareholders' meeting	Director candidate		Information provided	Remarks
		Category	Name		
2020.03.05 (21 days prior to general shareholders' meeting)	2020.03.26	Executive	Kwon Bong-suk	1. Name, birth date, recommender (, and relationships with largest shareholders of candidate for independent director) 2. Candidate's main business, outline of career, transactions with corporation in previous three years 3. Job execution plan (independent director) 4. Any delinquency, history of serving in insolvent company, or disqualifications by law 5. BOD's reason for recommending candidate	-
			Bae Doo-yong		
Independent	Baek Yong-ho				
2021. 03.02 (22 days prior to general shareholders' meeting)	2021.03.24	Executive	Bae Doo-yong	1. Name, birth date, recommender, relationships with largest shareholders of candidate as independent director, whether director is member of Audit Committee and will be separately appointed 2. Candidate's main business, outline of career, transactions with corporation in previous three years 3. Any delinquency, history of serving in insolvent company, or disqualifications by law 4. Job execution plan (independent director) 5. BOD's reason for recommending candidate	-
			Independent		

(ii) Provision of information on past roles on board of candidates for reappointment including executive directors, methods and details of information provision

The past BOD activities of candidates for positions as directors can be found in the quarterly business reports, while the IR section of our company's website also details the activities of the candidates over the previous three years. In addition, the details of the reappointed independent and non-executive directors' attendance at the BOD meetings are provided in the general shareholders' meeting convocation notice. In particular, sufficient information on the BOD activities of reappointed independent directors is provided, including their BOD meeting attendance rates, votes for/against BOD agenda items, and activities in the various committees under the BOD.

C) Adoption of Concentrated Voting System

Our company has not adopted the concentrated voting system, but it guarantees the right of minority shareholders to recommend director candidates in accordance with the Commercial Act. However, there have been no recommendations of director candidates by any minority shareholders made at the general shareholders' meetings in the past three years.

D) Fairness and Independence in Appointing Directors

As the Independent Director Candidate Recommendation Committee performs its functions, and shareholders receive sufficient information on candidates for positions as directors within sufficient amounts of time prior to the shareholders' meetings, fairness and independence in the process of recommending and appointing candidates for positions of directors are secured.

(Principle 4-④)

The BOD shall not appoint as executives those responsible for having compromised the company's value or its shareholders' interests.

A) Status of Executives (Including Unregistered Executives)

As of the date of this report the total number of our company's executives including unregistered ones is 307. The following table summarizes the current status of our company executives.

▷ **(Table 4-④-1) Current status of executives as of date of report (including unregistered executives)**

Name	Gender	Position	Registered or not	Full-time or not	Responsibilities
Kwon Bong-suk	Male	President	Registered	Full-time	Company representative, CEO
Bae Doo-yong	Male	Executive vice president	Registered	Full-time	Company representative, CFO
Kwon Young-su	Male	Vice chairman	Registered	Part-time	Chair of Board (Non-executive)
Kim Dae-hyung	Male	Independent director	Registered	Part-time	President of Audit Committee
Baek Yong-ho	Male	Independent director	Registered	Part-time	Audit Committee member
Lee Sang-gu	Male	Independent director	Registered	Part-time	Independent director
Kang Soo-jin	Female	Independent director	Registered	Part-time	Audit Committee member
Kwon Soon-hwang	Male	President	Unregistered	Full-time	President of BS Division
Park Il-pyung	Male	President	Unregistered	Full-time	CTO
Lee Sang-gyu	Male	President	Unregistered	Full-time	President of Korea Sales Division
Kim Gyeong-ho	Male	Executive vice president	Unregistered	Full-time	Head of B2B Business in Europe
Kim Joon-ho	Male	Executive vice president	Unregistered	Full-time	Head of Quality Management Center
Kim Jin-yong	Male	Executive vice president	Unregistered	Full-time	President of VS Division
Ryu Jae-chul	Male	Executive vice president	Unregistered	Full-time	President of H&A Division
Park Hyung-se	Male	Executive vice president	Unregistered	Full-time	President of HE Division
Baek Seung-tae	Male	Executive vice president	Unregistered	Full-time	President of Living Appliance Division
Song Seung-gul	Male	Executive vice president	Unregistered	Full-time	Asia representative
Oh Se-gi	Male	Executive vice president	Unregistered	Full-time	Head of H&A Research Center

Yoon Gyeong-seok	Male	Executive vice president	Unregistered	Full-time	President of Kitchen Appliance Division
Yoon Tae-bong	Male	Executive vice president	Unregistered	Full-time	North America representative
Lee Yeon-mo	Male	Executive vice president	Unregistered	Full-time	President of MC Division
Lee Jae-sung	Male	Executive vice president	Unregistered	Full-time	President of Air Solutions Division
Lee Jae-ho	Male	Executive vice president	Unregistered	Full-time	Chief of Rental Caring Business Center
Lee Jong-sang	Male	Executive vice president	Unregistered	Full-time	Head of Compliance Office
Jeon Myung-woo	Male	Executive vice president	Unregistered	Full-time	Chief of Promotion and Cooperation Center
Jeong Dae-hwa	Male	Executive vice president	Unregistered	Full-time	Head of Production Technology Institute
Jeong Su-heon	Male	Executive vice president	Unregistered	Full-time	Chief of Overseas Sales Group of MC Business
Jeong Su-hwa	Male	Executive vice president	Unregistered	Full-time	Head of Equipment Technology Center, Production Technology Institute
Cho Joo-wan	Male	Executive vice president	Unregistered	Full-time	CSO
Choi Go-hee	Male	Executive vice president	Unregistered	Full-time	Head of CTO SIC Center
Choi Seung-jong	Male	Senior research fellow (executive vice president)	Unregistered	Full-time	CTO SIC Center affiliate
Kang Jun-kyu	Male	Senior vice president	Unregistered	Full-time	Head of H&A Power and Electronics Lab
Kwak Do-young	Male	Senior vice president	Unregistered	Full-time	Head of H&A Overseas Sales Group
Kim Gwang-ho	Male	Senior vice president	Unregistered	Full-time	President of LG Electronics Tianjin Appliances
Kim Dong-wook	Male	Senior vice president	Unregistered	Full-time	Head of CTO DXT Center
Kim Byung-yeol	Male	Senior vice president	Unregistered	Full-time	Chief of Manufacturing Technology Center
Kim Byung-hoon	Male	Senior vice president	Unregistered	Full-time	CTO and Chief of Future Technology Center
Kim Sang-yong	Male	Senior vice president	Unregistered	Full-time	LG Electronics USA affiliate
Kim Young-rak	Male	Senior vice president	Unregistered	Full-time	President of LG Electronics India
Kim Young-su	Male	Senior vice president	Unregistered	Full-time	Chief of H&A DTI Lab
Kim Won-bum	Male	Senior vice president	Unregistered	Full-time	CHO
Kim Jung-tae	Male	Senior vice president	Unregistered	Full-time	Head of Korea B2C Group
Kim Joon-sun	Male	Senior vice president	Unregistered	Full-time	Head of VS Global Operation Group
Nam Ho-jun	Male	Senior vice president	Unregistered	Full-time	Head of HE Research Institute
Ryu Hye-jung	Female	Senior vice president	Unregistered	Full-time	CTO and Head of ThinQ App Development
Park Pyung-gu	Male	Senior vice president	Unregistered	Full-time	Head of Environmental Safety
Baek Ki-moon	Male	Senior vice president	Unregistered	Full-time	President of ID Division
Seo Yeong-jae	Male	Senior vice president	Unregistered	Full-time	Business Head of Incubation Center
Uhm Jae-woong	Male	Senior vice president	Unregistered	Full-time	Head of Strategic Purchases/GP

Oh Se-chun	Male	Senior vice president	Unregistered	Full-time	Head of PR
Wang Chul-min	Male	Senior vice president	Unregistered	Full-time	President of Parts Solutions Division
Woo Jong-jin	Male	Senior vice president	Unregistered	Full-time	Chief of BS Lab
Yoo Kyu-moon	Male	Senior vice president	Unregistered	Full-time	Head of CS Management Center
Yoo Byung-hun	Male	Senior vice president	Unregistered	Full-time	Head of Jeong-do Management Center
Yoo Sung-jun	Male	Senior vice president	Unregistered	Full-time	Head of Labor Management Relations
Yoon Dae-sik	Male	Senior vice president	Unregistered	Full-time	Head of Corporate Affairs
Eun Suk-hyun	Male	Senior vice president	Unregistered	Full-time	President of VS Smart Division
Lee Sam-su	Male	Senior vice president	Unregistered	Full-time	Head of LG Science Park
Lee Sang-yong	Male	Senior vice president	Unregistered	Full-time	CTO and Chief of Preemptive R&BD Center
Lee Sang-woo	Male	Senior vice president	Unregistered	Full-time	Head of HE Management Strategies
Lee Seok-woo	Male	Senior vice president	Unregistered	Full-time	Chief of North American Innovation Center
Lee Seung-chul	Male	Senior vice president	Unregistered	Full-time	Head of Legal Affairs Group
Lee Si-yong	Male	Senior vice president	Unregistered	Full-time	Head of Purchase Management Center
Lee Il-hwan	Male	Senior vice president	Unregistered	Full-time	Central Asia representative
Lee Jae-hyun	Male	Senior vice president	Unregistered	Full-time	Head of SAC Business
Lee Jung-suk	Male	Senior vice president	Unregistered	Full-time	Head of Global Marketing Center
Lee Jung-su	Male	Senior vice president	Unregistered	Full-time	Head of CTO Materials Technology Center
Lee Chun-guk	Male	Senior vice president	Unregistered	Full-time	EU Region representative
Lee Chul-bae	Male	Senior vice president	Unregistered	Full-time	Head of Design Management Center
Lee Chul-hoon	Male	Senior vice president	Unregistered	Full-time	Head of Korea Mobile Group
Lee Chung-hwan	Male	Senior vice president	Unregistered	Full-time	Head of Overseas TV Sales Group
Lee Hyun-wook	Male	Senior vice president	Unregistered	Full-time	Head of Built-in/Cooking Business
Lee Hyun-jun	Male	Senior vice president	Unregistered	Full-time	Under MC HQ
Lim Jong-rak	Male	Senior vice president	Unregistered	Full-time	Head of VS Smart Research Institute
Jang Moon-suk	Male	Senior vice president	Unregistered	Full-time	Head of CTO SW Center
Jang Ik-hwan	Male	Senior vice president	Unregistered	Full-time	President of IT Division
Jung Gyu-hwang	Male	Senior vice president	Unregistered	Full-time	Central and South America representative
Jung Eui-hoon	Male	Senior vice president	Unregistered	Full-time	Head of HE Module Purchasing
Cho Taek-il	Male	Senior vice president	Unregistered	Full-time	Chief of CTO iLab
Ha Jung-wook	Male	Senior vice president	Unregistered	Full-time	Head of MC Research Institute
Ha Jin-ho	Male	Senior vice president	Unregistered	Full-time	Head of Korea Sales and Management Administration

Huh Jae-chul	Male	Senior vice president	Unregistered	Full-time	Head of Korea B2B Group
Hwang Seong-geol	Male	Senior vice president	Unregistered	Full-time	Chief of Customer eXperience Lab
Kim Young-su	Male	Senior research fellow (senior vice president)	Unregistered	Full-time	Under H&A Research Center
Andrew Mackay	Male	Vice president	Unregistered	Full-time	President of LG Electronics Nordic AB
Jaime de Jaraiz	Male	Vice president	Unregistered	Full-time	LG Electronics Iberia
Samuel Chang	Male	Vice president	Unregistered	Full-time	Under North American Innovation Center
zhongxun sun	Male	Vice president	Unregistered	Full-time	Head of B2C Sales in China
Kang Kil-sung	Male	Vice president	Unregistered	Full-time	Head of Tax Affairs
Kang Dong-jun	Male	Vice president	Unregistered	Full-time	LG Electronics USA affiliate
Kang Suk-pan	Male	Vice president	Unregistered	Full-time	Head of TV Image/Sound Quality Development Center
Kang Seung-won	Male	Vice president	Unregistered	Full-time	Head of Management and Administration in Russia
Gu Ji-young	Female	Vice president	Unregistered	Full-time	MI Chief of Global Marketing Center
Kwon Soon-il	Male	Vice president	Unregistered	Full-time	Head of H&A Environmental Safety/Support
Kim Kun-woo	Male	Vice president	Unregistered	Full-time	Head of CTO Service Platform
Kim Kun-wook	Male	Vice president	Unregistered	Full-time	Head of MC Purchase
Kim Kyung-nam	Male	Vice president	Unregistered	Full-time	Head of Production Planning
Kim Ki-young	Male	Vice president	Unregistered	Full-time	CTO SW Platform Research Institute affiliate
Kim Nam-soo	Male	Vice president	Unregistered	Full-time	Head of Management and Administration in Latin America
Kim Dong-won	Male	Vice president	Unregistered	Full-time	Chief of Living Appliance Lab
Kim Dong-pil	Male	Vice president	Unregistered	Full-time	Head of ID Overseas Sales
Kim Myung-su	Male	Vice president	Unregistered	Full-time	Head of Kitchen Appliances Production
Kim Myung-wook	Male	Vice president	Unregistered	Full-time	Head of IT Monitor Development Office
Kim Min-su	Male	Vice president	Unregistered	Full-time	Head of CTO Technology Planning
Kim Bong-suk	Male	Vice president	Unregistered	Full-time	Quality Management Center affiliate
Kim Sang-ryeol	Male	Vice president	Unregistered	Full-time	Head of Battery Equipment Development at Production Technology Institute
Kim Sang-wook	Male	Vice president	Unregistered	Full-time	Head of Mobile Business of LGU+ in Korea
Kim Suk-kyu	Male	Vice president	Unregistered	Full-time	Head of Advance Production Technology Research Center at Production Technology Institute
Kim Suk-ki	Male	Vice president	Unregistered	Full-time	President of Energy Division
Kim Sung-wook	Male	Vice president	Unregistered	Full-time	Head of New Business Development
Kim Sung-jae	Male	Vice president	Unregistered	Full-time	President of LG Electronics Philippines
Kim Sung-hak	Male	Vice president	Unregistered	Full-time	Head of TV Sales in Asia

Kim Sung-ho	Male	Vice president	Unregistered	Full-time	Head of BS Marketing
Kim Su-chul	Male	Vice president	Unregistered	Full-time	Head of Management and Administration in India
Kim Seung-jong	Male	Vice president	Unregistered	Full-time	VS Smart Research Institute affiliate
Kim Yang-sun	Male	Vice president	Unregistered	Full-time	Head of Parts Solutions Production
Kim Young-su	Male	Vice president	Unregistered	Full-time	Head of Washing Machine Business
Kim Yong-suk	Male	Vice president	Unregistered	Full-time	Head of MC Management Strategies
Kim Yong-jin	Male	Vice president	Unregistered	Full-time	Head of Production Technology
Kim Woo-seop	Male	Vice president	Unregistered	Full-time	Leader of Fair Trade Compliance Tasks
Kim Woon-tae	Male	Vice president	Unregistered	Full-time	Head of Living Appliances Production
Kim E-kwon	Male	Vice president	Unregistered	Full-time	Head of H&A Management and Administration
Kim Jae-seung	Male	Vice president	Unregistered	Full-time	President of LG Electronics Canada
Kim Jae-il	Male	Vice president	Unregistered	Full-time	Chief of Pune Manufacturing affiliate
Kim Jong-pil	Male	Vice president	Unregistered	Full-time	Head of Quality Improvement
Kim Ju-min	Male	Vice president	Unregistered	Full-time	Head of CTO AI R&D Center
Kim Jin-kyung	Male	Vice president	Unregistered	Full-time	Head of CTO SoC Base Technology Research Institute
Kim Jin-kyu	Male	Vice president	Unregistered	Full-time	Head of ID Products Planning
Kim Chang-bum	Male	Vice president	Unregistered	Full-time	Head of Air Solutions Control Research
Kim Tae-wan	Male	Vice president	Unregistered	Full-time	Head of H&A Purchases
Kim Tae-hoon	Male	Vice president	Unregistered	Full-time	President of Egyptian affiliate
Kim Hak-hyun	Male	Vice president	Unregistered	Full-time	LG Electronics India affiliate
Kim Hyuk-ki	Male	Vice president	Unregistered	Full-time	Head of IT Overseas Sales
Kim Hyung-su	Male	Vice president	Unregistered	Full-time	President of LG Electronics Western Europe
Kim Hyung-tae	Male	Vice president	Unregistered	Full-time	President of Latin America and European affiliates
Nam Sung-woo	Male	Vice president	Unregistered	Full-time	President of LG Electronics Vietnam
Noh Gyu-chan	Male	Vice president	Unregistered	Full-time	Head of BS Robot Business
Noh Do-yeop	Male	Vice president	Unregistered	Full-time	Head of HR
Noh Sook-hee	Female	Vice president	Unregistered	Full-time	Head of H&A Marketing Communication
Noh Young-nam	Male	Vice president	Unregistered	Full-time	President of LG Electronics Russia
Noh Young-ho	Male	Vice president	Unregistered	Full-time	Head of North American Builder Sales
Noh Tae-young	Male	Vice president	Unregistered	Full-time	Head of Parts Solutions R&D
Min Dong-sun	Male	Vice president	Unregistered	Full-time	LG Electronics USA affiliate
Min Seung-hong	Male	Vice president	Unregistered	Full-time	Head of B2B Business in Asia

Min Heung-gi	Male	Vice president	Unregistered	Full-time	Head of VS Management Strategy
Park Gyung-ah	Female	Vice president	Unregistered	Full-time	Head of Brand Communication in Korea
Park Keun-jik	Male	Vice president	Unregistered	Full-time	President of LG Electronics Cibitung
Park Ki-won	Male	Vice president	Unregistered	Full-time	Head of Parts Solutions Sales
Park Nae-won	Male	Vice president	Unregistered	Full-time	Head of Strategic Distribution in Korea
Park Min-ho	Male	Vice president	Unregistered	Full-time	Chief of MC Apparatus Development Office
Park Sang-hyun	Male	Vice president	Unregistered	Full-time	President of LG Electronics Service USA
Park Sang-ho	Male	Vice president	Unregistered	Full-time	Head of Management and Administration
Park In-sung	Male	Vice president	Unregistered	Full-time	Head of VS Smart SW Development
Park Jae-seong	Male	Vice president	Unregistered	Full-time	Head of Metropolitan Area System in Korea
Park Jeong-weon	Male	Vice president	Unregistered	Full-time	President of LG Electronics Monterrey
Park Jong-sun	Male	Vice president	Unregistered	Full-time	VS Smart Research Institute affiliate
Park Jong-won	Male	Vice president	Unregistered	Full-time	President of LG Electronics Wroclaw
Park Jun-eun	Male	Vice president	Unregistered	Full-time	VS Smart Research Institute affiliate
Park Chung-hyun	Male	Vice president	Unregistered	Full-time	Head of BS Management and Administration
Park Tae-in	Male	Vice president	Unregistered	Full-time	Head of Research on Living Appliance Controls
Park Hyung-woo	Male	Vice president	Unregistered	Full-time	Head of AV
Park Hee-wook	Male	Vice president	Unregistered	Full-time	Head of H&A Products Planning
Ban Byeong-sun	Male	Vice president	Unregistered	Full-time	Head of Management and Administration in Europe
Bae Jung-hyun	Male	Vice president	Unregistered	Full-time	Head of Air Solutions Production
Baek Kwan-hyun	Male	Vice president	Unregistered	Full-time	President of Brazilian affiliate
Baek Seon-pil	Male	Vice president	Unregistered	Full-time	Head of TV Products Planning
Baek Seung-min	Male	Vice president	Unregistered	Full-time	Head of CTO Robot Advance Research Center
Baek Chan	Male	Vice president	Unregistered	Full-time	Head of VS Vietnam Manufacturing
Baek Tae-kwon	Male	Vice president	Unregistered	Full-time	LG Electronics Maghreb
Byeon Hyo-sik	Male	Vice president	Unregistered	Full-time	President of LG Electronics Russia
Sah Young-jin	Male	Vice president	Unregistered	Full-time	Head of CTO HR
Seo Yeong-moo	Male	Vice president	Unregistered	Full-time	President of LG Electronics Manaus
Seo Jeong-weon	Male	Vice president	Unregistered	Full-time	Head of Task Innovation
Seo Heung-kyu	Male	Vice president	Unregistered	Full-time	Head of Product and Technology Strategy
Son Dae-ki	Male	Vice president	Unregistered	Full-time	Head of Specialized Distributorship
Son Tae-ik	Male	Vice president	Unregistered	Full-time	Head of Appliance Sales in Central Asia

Son Hwi-chang	Male	Vice president	Unregistered	Full-time	Head of Development of Built-in and Cooking Products
Song Gye-yeong	Male	Vice president	Unregistered	Full-time	Head of Kitchen Appliance Lab
Song Sung-won	Male	Vice president	Unregistered	Full-time	President of LG Electronics Mexico
Song Si-yong	Male	Vice president	Unregistered	Full-time	Head of Production System Solutions at Production Technology Institute
Song Ik-hwan	Male	Vice president	Unregistered	Full-time	President of Taiwanese affiliate
Song Jun-hyuk	Male	Vice president	Unregistered	Full-time	MC TMUS KAM
Song Chan-gyu	Male	Vice president	Unregistered	Full-time	Under BS HQ
Shin Suk-hong	Male	Vice president	Unregistered	Full-time	Head of HE Marketing Communications
Shin Hyun-jae	Male	Vice president	Unregistered	Full-time	Head of Research on Kitchen Appliance Controls
Shin Hwa-suk	Male	Vice president	Unregistered	Full-time	Head of Appliance Sales in Europe and CIS
Shin Hyo-sik	Male	Vice president	Unregistered	Full-time	Head of PC Development Center
Ahn Deuk-su	Male	Vice president	Unregistered	Full-time	President of LG Electronics South Africa
Ahn Hyuk-seong	Male	Vice president	Unregistered	Full-time	Head of ESS Business
Yang Hee-ku	Male	Vice president	Unregistered	Full-time	Head of Testing Technology Development at Production Technology Institute
Uhm Wi-sang	Male	Vice president	Unregistered	Full-time	Head of CTO SW Engineering Research Institute
Yeo In-kwan	Male	Vice president	Unregistered	Full-time	Head of CTO India SW Research Institute
Yeo Chang-wook	Male	Vice president	Unregistered	Full-time	Head of B2B Business in Latin America
Yeom Jang-seon	Male	Vice president	Unregistered	Full-time	Under CSO Division
Oh Sang-jin	Male	Vice president	Unregistered	Full-time	Head of Product Quality Research at Production Technology Institute
Oh Sung-hoon	Male	Vice president	Unregistered	Full-time	Head of MC Product Development
Oh Seung-jin	Male	Vice president	Unregistered	Full-time	Head of Korea Strategy
Oh Hae-jin	Male	Vice president	Unregistered	Full-time	VS Smart Division affiliate
Woo Deok-gu	Male	Vice president	Unregistered	Full-time	Head of VS Quality Management
Woo Ran-chan	Male	Vice president	Unregistered	Full-time	Under Business Incubation Center
Woo Jeong-ho	Male	Vice president	Unregistered	Full-time	Head of MC Camera Development Office
Yoo Byung-kook	Male	Vice president	Unregistered	Full-time	Head of VS Smart Sales and Marketing
Yoo Jae-sup	Male	Vice president	Unregistered	Full-time	Head of CS Operation in Korea
Yoon Dong-han	Male	Vice president	Unregistered	Full-time	Head of MC Products Planning
Yoon Jung-suk	Male	Vice president	Unregistered	Full-time	VS Smart Research Institute affiliate
Lee Kang-won	Male	Vice president	Unregistered	Full-time	Head of TV SW Development
Lee Kyung-jun	Male	Vice president	Unregistered	Full-time	Support Tasks for Cibitung

Lee Dong-sun	Male	Vice president	Unregistered	Full-time	President of LG Electronics China
Dong Un Lee	Male	Vice president	Unregistered	Full-time	Head of Air Solutions Sales in (Central) Asia
Lee Bum-sup	Male	Vice president	Unregistered	Full-time	President of LG Electronics Northern Europe
Lee Bum-chul	Male	Vice president	Unregistered	Full-time	Head of Management Strategies
Lee Sang-min	Male	Vice president	Unregistered	Full-time	Head of B2B Business in Central Asia
Lee Suk-su	Male	Vice president	Unregistered	Full-time	CTO SIC Center affiliate
Lee Suk-su	Male	Vice president	Unregistered	Full-time	CTO SW Center affiliate
Lee Sung-ho	Male	Vice president	Unregistered	Full-time	Head of HR Training
Lee So-yeon	Female	Vice president	Unregistered	Full-time	Leader of Modular Development of TVs
Lee Su-jong	Male	Vice president	Unregistered	Full-time	Head of H&A Quality Management
Lee Seung-gyu	Male	Vice president	Unregistered	Full-time	Head of CTO Optical Research Center
Lee Seung-ki	Male	Vice president	Unregistered	Full-time	Head of Manufacturing Innovation Center at Production Technology Institute
Lee Seung-chul	Male	Vice president	Unregistered	Full-time	President of LG Electronics Thailand
Lee Young-jae	Male	Vice president	Unregistered	Full-time	Head of Environmental Safety/Support in Incheon
Lee Young-chaе	Male	Vice president	Unregistered	Full-time	President of LG Electronics Japan
Lee Yong-chan	Male	Vice president	Unregistered	Full-time	Head of Module Technology Development at Production Technology Institute
Lee Won-cheol	Male	Vice president	Unregistered	Full-time	Head of Business Improvement
Lee Yoon-suk	Male	Vice president	Unregistered	Full-time	Head of HE Sales in North America
Lee Jung-hee	Male	Vice president	Unregistered	Full-time	Head of HE Management and Administration
Lee Jong-ho	Male	Vice president	Unregistered	Full-time	Head of RAC
Lee Chun-taek	Male	Vice president	Unregistered	Full-time	Head of H&A Global Manufacturing
Lee Chung-seop	Male	Vice president	Unregistered	Full-time	M&A Office Chief
Lee Tae-jin	Male	Vice president	Unregistered	Full-time	President of LG Electronics Indonesia
Lee Han-wook	Male	Vice president	Unregistered	Full-time	VS Smart Division affiliate
Lee Hyun-gyu	Male	Vice president	Unregistered	Full-time	Head of Finance
Lee Hyun-jin	Male	Vice president	Unregistered	Full-time	President of LG Electronics Noida
Lee Hyung-il	Male	Vice president	Unregistered	Full-time	Head of TV Products Development
Lee Ho-yeong	Male	Vice president	Unregistered	Full-time	Head of Integrated Support for Science Park
Lim Dae-jin	Male	Vice president	Unregistered	Full-time	Chief of BS Consolidated Solutions Lab
Lim Myung-jun	Male	Vice president	Unregistered	Full-time	Head of Korea Region Strategy
Lim Byeong-rok	Male	Vice president	Unregistered	Full-time	Head of Strategy and Legal Office

Lim Sang-moo	Male	Vice president	Unregistered	Full-time	President of LG Electronics Australia
Lim Jeong-su	Male	Vice president	Unregistered	Full-time	Head of Korean Capitol Area Strategy
Jang Byeong-nyeong	Male	Vice president	Unregistered	Full-time	CFO Division affiliate
Jang Bo-young	Male	Vice president	Unregistered	Full-time	Chief of H&A DPI Lab
Jang Suk-jin	Male	Vice president	Unregistered	Full-time	Head of CTO Smart Mobility Research Center
Jang Suk-ho	Male	Vice president	Unregistered	Full-time	Head of IT Development
Jang Jin-hyuk	Male	Vice president	Unregistered	Full-time	Head of Korean Online Group
Jang Cha-gyu	Male	Vice president	Unregistered	Full-time	Head of North America Appliance Sales
Jang Hee-chul	Male	Vice president	Unregistered	Full-time	President of Nanjing Washing Machine Manufacturing affiliate
Jeon Keun-sik	Male	Vice president	Unregistered	Full-time	Kitchen Appliance Division affiliate
Jeon Bong-hwan	Male	Vice president	Unregistered	Full-time	President of LG Electronics Mexicali
Jeon Hong-ju	Male	Vice president	Unregistered	Full-time	President of LG Electronics Gulf FZE
Jung Byeong-ok	Male	Vice president	Unregistered	Full-time	President of LG Electronics Mlawa
Jeong Yeong-hak	Male	Vice president	Unregistered	Full-time	President of LG Electronics Levant
Jeong Wuk-jun	Male	Vice president	Unregistered	Full-time	Head of H&A Design Lab
Jung Won-suk	Male	Vice president	Unregistered	Full-time	Head of VS Green Business
Jung Won-jin	Male	Vice president	Unregistered	Full-time	Head of BS Robot Business Development
Jeong In-sik	Male	Vice president	Unregistered	Full-time	Head of Pyeongtaek Safety and Environment/Support
Jung Jae-woong	Male	Vice president	Unregistered	Full-time	Head of MC Quality Management
Jung Jae-chul	Male	Vice president	Unregistered	Full-time	Head of TV Apparatus/LCM Development
Jung Jin-woo	Male	Vice president	Unregistered	Full-time	President of LG Electronics Tennessee
Jung Pil-won	Male	Vice president	Unregistered	Full-time	Head of TV Sales in Europe and CIS
Jung Hae-jin	Male	Vice president	Unregistered	Full-time	President of LG Electronics Vietnam
Jung Ho-jung	Male	Vice president	Unregistered	Full-time	CTO / In Charge of SW Experts
Cho Sung-gu	Male	Vice president	Unregistered	Full-time	Head of HE Design Research Center
Cho Young-sam	Male	Vice president	Unregistered	Full-time	Leader of VS Green North America Office
Cho Jung-bum	Male	Vice president	Unregistered	Full-time	Head of DX Strategies
Cho Jung-kwon	Male	Vice president	Unregistered	Full-time	PR Management affiliate
Cho Hyun-jin	Male	Vice president	Unregistered	Full-time	Head of VS Smart Product Planning
Cho Hyeop	Male	Vice president	Unregistered	Full-time	Head of Korean Rental Business Planning and Support
Cho Hwi-jae	Male	Vice president	Unregistered	Full-time	Head of CTO Patent Center
Joo Jong-myung	Male	Vice president	Unregistered	Full-time	Head of HE HR

Ji Hyung-sup	Male	Vice president	Unregistered	Full-time	LG Electronics India affiliate
Jin Sim-won	Male	Vice president	Unregistered	Full-time	Head of Air Solutions Research Center
Cha Yong-duk	Male	Vice president	Unregistered	Full-time	Under Design Management Center
Choi Sang-won	Male	Vice president	Unregistered	Full-time	Head of VS Design Research Institute
Choi Sung-bong	Male	Vice president	Unregistered	Full-time	Head of Dishwasher Business
Choi Seung-yoon	Male	Vice president	Unregistered	Full-time	Head of HE Purchases
Choi Yeo-hwan	Male	Vice president	Unregistered	Full-time	Head of Sales HR in Korea
Choi Yoon-ho	Male	Vice president	Unregistered	Full-time	CTO / Chief of Next Generation Display Lab
Choi Jung-woong	Male	Vice president	Unregistered	Full-time	Head of Technology Strategies in LG Science Park
Choi Jin-hak	Male	Vice president	Unregistered	Full-time	President of LG Electronics Turkey
Choi Hang-suk	Male	Vice president	Unregistered	Full-time	Head of Air Solutions Sales in Europe and CIS
Choi Hee-won	Female	Vice president	Unregistered	Full-time	CTO SW Feasibility PMO
Hah Geon-ho	Male	Vice president	Unregistered	Full-time	Head of Vacuum Business
Ha Noh-suk	Male	Vice president	Unregistered	Full-time	Head of VS Green Manufacturing
Han Jae-hee	Male	Vice president	Unregistered	Full-time	CTO / Under iLab
Huh Dong-wook	Male	Vice president	Unregistered	Full-time	Head of MC Sales in Central and South America
Huh Soon-jae	Male	Vice president	Unregistered	Full-time	Head of TV Sales in Central and South America
Huh In-kwon	Male	Vice president	Unregistered	Full-time	Head of Appliance Sales in Asia
Huh Jung-chan	Male	Vice president	Unregistered	Full-time	Head of H&A SCM
Hong Sung-pyo	Male	Vice president	Unregistered	Full-time	Head of CTO SW Platform Research Center
Hong Sung-heok	Male	Vice president	Unregistered	Full-time	Head of HE SCM
Hong Ji-sam	Male	Vice president	Unregistered	Full-time	Head of Korean Commercial Entity 1
Hong Jin-gi	Male	Vice president	Unregistered	Full-time	Head of Global Logistics
Hong Chang-jik	Male	Vice president	Unregistered	Full-time	Head of Solar R&D
Hwang Yong-soon	Male	Vice president	Unregistered	Full-time	President of LG Electronics France
Hwang Won-yong	Male	Vice president	Unregistered	Full-time	Head of VS Sales in North America
Hwang Jae-woo	Male	Vice president	Unregistered	Full-time	Head of Management in North America
Hwang Jong-ha	Male	Vice president	Unregistered	Full-time	Head of H&A Smart Home Care Business
Kim Sung-jin	Male	Senior research fellow (vice president)	Unregistered	Full-time	CTO C&M Standard Research Institute affiliate
Yoon Young-woo	Male	Senior research fellow (vice president)	Unregistered	Full-time	CTO C&M Standard Research Institute affiliate
Lee Byung-chul	Male	Senior research fellow (vice president)	Unregistered	Full-time	H&A Next Generation HVAC Research Institute affiliate

Lim Sun-kyung	Male	Senior research fellow (vice president)	Unregistered	Full-time	VS Green Product Development affiliate
Lim Hyo-jun	Male	Senior research fellow (vice president)	Unregistered	Full-time	CTO SW Platform Research Institute affiliate
Cho Il-je	Male	Senior research fellow (vice president)	Unregistered	Full-time	Under Head of VS Smart Business
Ji Suk-man	Male	Senior research fellow (vice president)	Unregistered	Full-time	CTO Materials Technology Center affiliate
Kim Su-yeon	Female	Senior consultant (vice president)	Unregistered	Full-time	H&A Design Research Institute affiliate
Song Yeong-han	Male	Senior consultant (vice president)	Unregistered	Full-time	Under CTO Patent Center

B) Policy to Prevent Appointments of Persons Responsible for Damaging Company Values or Violating Shareholders' Rights

In appointing executives (including unregistered executives) in accordance with the company's internal regulations, the BOD carries out collective deliberations on their performances, capacities/expertise, growth potentials, etc. The company excludes from such deliberation any candidates who have had issues in the area of jeong-do (right-path) management (ethical/regulatory) or have caused quality or environmental problems, to thus prevent appointments of people responsible for harming the company's values or violating its shareholders' rights. Further, those who have been penalized with suspensions or more severe actions in accord with the company's disciplinary policies are banned from promotions or appointments for certain periods of time. The company has established and operates an executive disciplinary committee, to manage and monitor executives to ensure that they fulfill their duties and penalize those who violate company regulations.

Concerning independent directors, the Independent Director Candidate Recommendation Committee recommends only candidates who meet the requirements stipulated in the related laws such as Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act and the regulations of the Independent Director Candidate Recommendation Committee. Through this policy, only those whose holding of the required qualifications and capabilities has been verified are considered for appointment as directors in the general shareholders' meetings. Also, since Article 542-8, Paragraph 2, Clause 3 of the Commercial Act stipulates that a person who has completed or been exempted from a sentence of imprisonment or worse within the previous two years cannot be an independent director of a listed company, any possibility of appointing as directors persons who have been criminally charged with embezzlement, breach of trust, or other acts of harming the company's values or violating the shareholders' rights is fundamentally blocked.

C) Precedents of Persons Found Guilty of or Currently Charged with Past Acts of Embezzlement, Breach of Trust or Unfair Trade Practices under Capital Markets Act Being Appointed as Directors

Since the internal regulations stipulate that "degrading the company's reputation by being indicted or causing other social disruptions" is a justified cause for imposition of a heavy penalty, persons who have been convicted of such charges cannot be promoted or recommended as candidates for director for certain periods of time, and there is no precedent of a person who has been found guilty of embezzlement or breach of trust being appointed as a director.

D) Adoption of Executive Director System

While the company does not adopt the system of executive directors prescribed in Article 408-2 of

the Commercial Act, it works to promote efficiency through the collective exercise of executive authority in processes such as decision-making and supervision through the BOD and company representatives. Therefore, the company does not currently plan to implement the executive director system.

(Core Principle 5) Responsibilities of Independent Directors

The independent directors should take part in the processes of decision-making concerning important corporate management policies in an independent manner, while supervising and providing support to management as members of the BOD.

(Principle 5-①)

The independent directors should have no significant interests in the company, which is responsible for investigating any relationships of interest between it and the director in the appointment process.

A) Relationships of Interest between Independent Directors and Company

▷ **(Table 5-①-1) Relationships between active independent directors and the company or its affiliates as of date of report**

Name	History of independent directors holding positions in LGE or its affiliates		Transactions between independent director (or companies of which independent director is the largest shareholder) and LGE or its affiliates		Transactions between companies of which independent director is an executive and LGE or its affiliates	
	LGE	LGE affiliates	LGE	LGE affiliates	LGE	LGE affiliates
Kim Dae-hyung	None	None	None	None	None	None
Baek Yong-ho	None	None	None	None	None	None
Lee Sang-gu	None	None	None	None	None	None
Kang Soo-jin	None	None	None	None	None	None

(ii) Details and history of transactions (if any) between independent directors (or companies where directors are the largest shareholders) and the company (including its affiliates) in past three business years

N/A

(iii) Details and history of transactions between companies where independent directors have been currently employed and the company (including its affiliates)

N/A

(iv) Procedures and relevant internal rules whereby company checks on the above-mentioned matters

Through conducting interviews with and asking questions of the candidates for posts as directors, the company first confirms the facts concerning the above-mentioned items, and by using its internal accounting system then checks whether such transactions with the company have been made.

B) [Table 5-①-2] Lengths of terms in office of current independent directors as of date of report, and reasons for extensions of terms in office for any directors serving longer

than six years (nine years including tenures at affiliates)

Name	LGE		Including Affiliates	
	Term in office	Longer than 6 years - reason:	Term in office	Longer than 9 years - reason:
Kim Dae-hyung	5 year 3 months	-	5 year 3 months	-
Baek Yong-ho	4 year 3 months	-	4 year 3 months	-
Lee Sang-gu	2 year 3 months	-	2 year 3 months	-
Kang Soo-jin	3 months	-	3 months	-

C) Policies to Determine Significant Relationships of Interest between Independent Directors and the Company, and to Appoint Directors Having No Such Relationships

The human resources and legal affairs departments of our company thoroughly verify the qualifications of all candidates for positions as independent directors (under Articles 382 and 542-8 of the Commercial Act and Article 28-2 of the Articles of Incorporation), so that no persons having interests in the company can be appointed as independent directors. According to the requirements for qualification, a candidate for independent director must not be subject to any of the reasons for disqualification prescribed in the Commercial Act, and the company should ensure candidates' independence from management through verification of matters such as their not having transactional relationships with the company or kinships with management members, and provide the conditions necessary to enable the independent directors to carry out their duties.

(Principle 5-②)

The independent directors should devote sufficient amounts of time and effort in faithful fulfillment of their duties.

A) Service as Independent Director

(i) Permission to accept an additional independent director post at a different company

Our company permits an independent director to hold an office of independent director at one other company in addition to ours, in accordance with Article 34 of the Enforcement Decree of the Commercial Act. There is no separate internal policy regarding this matter.

▷ (Table 5-②-1) Status of independent directors holding offices in multiple companies as of date of report

Name (Audit Committee member?) ¹	Initial appointment date	Term expiry	Current position	Status of holding offices in multiple companies			
				Company ²	Position in company	Term at 2nd company	Is 2nd company listed?
Kim Dae-hyung (Audit)	2016.03.18	Upon closure of 2022 Regular	-	Nasol Systems	Executive director	2017.01.18 ~ Present	Unlisted

Committee member)		General Shareholders' Meeting					
Baek Yong-ho (Audit Committee member)	2017.03.17	Upon closure of 2023 Regular General Shareholders' Meeting	Professor in Graduate School of Policy Science, Ehwa Womans University	-	-	-	-
Lee Sang-gu	2019.03.15	Upon closure of 2022 Regular General Shareholders' Meeting	Professor in Department of Computer Science and Engineering, Seoul National University	SK Gas Ltd.	Independent director	2018.03.26 ~ Present	Listed (KOSPI)
Kang Soo-jin (Audit Committee member)	2021.03.24	Upon closure of 2024 Regular General Shareholders' Meeting	Professor in School of Law, Korea University	Korea Fair Trade Mediation Agency	Non-standing auditor	2020.12.31 ~ Present	Non-profit corporation

1) Audit Committee members are stated as such under their names.

2) Includes non-profit corporations, foundations, etc.

B) Independent Directors' Investment of Sufficient Time and Effort for Faithful Execution of Duties

As mentioned above, an independent director of LGE is not allowed to serve in more than two companies (including as a board member in one) other than LGE. Independent directors are thus able to devote sufficient time and effort to faithful fulfillment of their duties including but not limited to discussing in advance the necessity and appropriateness of agenda items for meetings of the BOD or the Audit Committee.

(Principle 5-③)

The company should provide the independent directors with sufficient resources necessary for fulfillment of their roles.

A) Policies for and Specific Operational Details of Support for Independent Directors

(i) Procedures for Providing Independent Directors with Information and Personal and Physical Resources, and Detailed Status of This Provision

Under the BOD's regulations directors are allowed to be provided with support from the BOD Secretariat, to summon relevant staff or external person(s) to the meetings to collect explanations or comments on specific agenda items, and to obtain professional support from external experts at the company's expense.

Our company informs the newly appointed independent directors of its business performance status through an orientation program. Under supervision of the BOD Secretariat, the company holds an internal orientation on the overall status of the company and matters related to operation of the BOD, etc. Additionally, the LG Economic Research Institute holds external education sessions on the roles and legal responsibilities of the directors. For independent director Lee Sang-gu, who was appointed in March 2021, the company provided an internal orientation session last February and an external education session in April.

After completion of the orientation, an independent director is continuously provided with data on the company's business status and reports on main agenda items for his or her better understanding of the company's businesses. In order for the independent directors to experience its business sites first-hand, the company provides them with annual opportunities to go on observation visits of major domestic and overseas sites. In January 2020 we paid a visit to the CES2020 show in Las Vegas, to identify and understand the latest industry trends and obtain insights for effective management decisions, while in March 2021 we visited the Changwon factory, for a check on its operations and health and safety measures.

Since 2020 our company has also regularly sent its independent directors clippings of LG-related news articles and market trends (related to businesses, products, services, etc.) and other relevant introductory materials, to help them to stay up-to-date on the trends of LG and the market as well as the latest information from news articles, etc., and utilize such materials in carrying out their duties. Refer to Table 5-③-1 for a summary of meetings held to provide agenda briefings, etc. to independent directors prior to BOD meetings.

(ii) Designation of departments responsible for responding to independent directors' requests for information, etc.

Our company has established the BOD Secretariat in order to support smooth operation of the BOD and the committees under the BOD, in accord with Article 17 of the BOD Regulations. The BOD Secretariat is composed of one executive and two on-site managers, and performs tasks such as providing the independent directors with prior explanations of BOD agendas and supporting them in cases of their requests for assistance necessary for executing their duties.

Also, pursuant to Article 22 of the Audit Committee Regulations, we have set up an independent support department for the Audit Committee, to provide support with the work of the committee including reviews of audit reports and operation of the committee, while also carrying out tasks at the committee's instruction. The ESG Committee and the Internal Transactions Committee to be established on July 1, 2021 will also be equipped with support departments to provide them support with diverse tasks and their overall operations.

(iii) (Table 5-③-1) Exclusive meetings with independent directors during time from start of business year immediately before public disclosure period until disclosure filing date

Meetings during the year	Regular or extraordinary	Date of convocation	Attending independent directors/ All independent directors	Discussion points	Remarks
1st	Regular	2020.01.28	3/4	Agendas of BOD and Audit Committee meetings in January	-
2nd	Regular	2020.03.24	3/4	Agenda of BOD meeting in March	-
3rd	Regular	2020.04.27	3/4	Agendas of BOD and Audit Committee meeting in April	-
4th	Regular	2020.07.27	3/4	Agendas of BOD and Audit Committee meetings in July	-
5th	Regular	2020.10.28	3/4	Agendas of BOD and Audit Committee meetings in October	-

6th	Regular	2020.11.24	3/4	Agenda of BOD meeting in November	-
1st	Regular	2021.01.26	3/4	Agendas of BOD and Audit Committee meetings in January	-
2nd	Regular	2021.02.23	3/4	Agendas of BOD and Audit Committee meetings in February	-
3rd	Regular	2021.03.22	2/4	Agenda of BOD meeting in March	-
			1/4	Agenda of BOD meeting in March	Separate meeting of new independent directors
4th	Extraordinary	2021.04.02	3/4	Agenda of BOD meeting in April	-
5th	Regular	2021.04.26	3/4	Agendas of BOD and Audit Committee meetings in April	-

※ Due to COVID-19, the board meeting and the meeting with independent directors on the Audit Committee agenda that were scheduled to be held in February 2020 were canceled.

B) Provision of Resources Required for Independent Directors to Fulfill Their Roles

As stated above, our company supports the independent directors so that they can make decisions that conform to the benefits of the company and its shareholders, by briefing newly appointed directors on the company's business status early on, providing independent directors with opportunities to make observation visits to domestic and overseas business sites, explaining the BOD agendas in advance through a designated department (BOD Secretariat), etc., to provide them with the sufficient information and resources needed to carry out their jobs.

(Core Principle 6) Assessment of Independent Directors' Activities

In order to facilitate independent directors' proactive fulfillment of their duties, their activities should be fairly assessed, and this will be the basis for determining their compensation and their possible reappointment.

(Principle 6-①)

The assessments of independent directors should be based on their individual performances, and the results of assessment should be reflected in the reappointment decisions.

A) Conduct of Assessments of Independent Directors Based on Individual Performances, and whether Results Are Reflected in Reappointment Decisions

(i) Assessment of independent directors, and methods to ensure assessment fairness

Assessments of independent directors are conducted so as to decide on their reappointments prior to the expiries of their terms, and implemented by collecting inputs from executive directors on a variety of assessment items in order to ensure fairness of assessment. Details of the assessment method are provided in (ii).

(ii) Specific methods of evaluation, related regulations, etc.

Specifically, in order to make an internal decision on a director's reappointment, the personnel

department or the BOD Secretariat conducts a collective assessment of a director's attendance at board meetings, whether or not he or she has made practical suggestions concerning the agenda items discussed at such meetings, whether or not he/she has provided proper advice on major business decisions as an expert in a specific field, his/her ability to internally control important financial risks of the company as an auditor, and his/her contribution to operation of the supervision system.

(Principle 6-②)

Compensation for independent directors should be determined at an appropriate level, by taking account of directors' assessment results and the risks and responsibilities involved in their fulfillments of their duties.

A) Compensation of Independent Directors

(i) Policies related to compensation including stock options, their background, and the criteria for calculating specific compensation

Compensation paid to the independent directors is determined through proposals made in the BOD meetings and general shareholders' meetings, in accordance with the relevant laws, and does not include stock options. Our company does not pay "allowances (including bonuses and severance pay)," but provides a fixed amount of payment for participation in meetings and the performance of other tasks as an independent director.

The compensation paid to an independent director in 2020 was 84 million won, a figure that was applied equally to each independent director. The company maintains the policy of providing compensation at an appropriate level in consideration of the industry average and the director's level of contribution.

(ii) Stock option specifics such as their quantity and the conditions for their exercise (e.g. being conditional upon performance criteria)

N/A

B) Appropriateness of Independent Director Compensation

As stated above, our company pays compensation to its independent directors for their contributions to the meetings and as financial support for their activities, set at appropriate levels in consideration of the levels of responsibility that their positions require. The assessments of independent directors are referred to for determining their reappointments, but not for differentiating their levels of compensation.

(Core Principle 7) Operation of BOD

The BOD should be operated in efficient and reasonable manners, so that the optimal management decisions can be made for the benefits of the company and its shareholders.

(Principle 7-①)

The BOD meetings should be held regularly, and BOD operation rules should be established that stipulate the BOD's roles and responsibilities and operational procedures in detail.

A) Board of Directors

(i) Regulations on regular BOD meetings (in Articles of Incorporation and BOD Regulations)

According to Article 8 of the BOD Regulations, the BOD meetings shall be held on a quarterly basis (in January, April, July and October) in principle, with additional meetings in February and March for consideration of financial statements to be submitted to the Audit Committee and approved by the BOD six weeks prior to the general shareholders' meeting in line with Article 447-3 of the Commercial Act, and advance BOD approval of items to be presented for approval at the shareholders' meeting, as well as a meeting in November to make decisions on regular HR-related matters.

Additionally, whenever it is necessary, such as when an issue requiring an irregular BOD resolution has arisen, an extraordinary BOD meeting may be held. The chairperson convenes every BOD meeting in accordance with Article 9, Paragraph 1 of the BOD Regulations. According to Article 10, Paragraph 1 of those regulations, the chairperson should announce the convening of each BOD meeting to each director 12 hours before the meeting. If agreed upon by the entire BOD, this procedure for convening the board may be skipped. Meanwhile, if an in-person meeting is not an option, due to the existence of issues such as the COVID-19 epidemic, the BOD can choose to hold meetings online via its video conference system to enable all directors to be present to facilitate effective discussion.

(ii), (iii) [Table 7-①-1] Regular/extraordinary BOD meetings held during time from start of business year immediately before public disclosure period until disclosure filing date, and dates of notification of agenda items

Our company confirms the annual BOD meeting schedule in December of the prior year, and if a temporary BOD meeting becomes necessary issues a convocation notice a sufficient amount of time before the meeting date. In order for the directors to make the best decisions during the processes of deliberation on and approval of the proposals on the agendas, the company provides them with prior explanations of each agenda item and holds question-and-answer sessions until the day before the BOD meeting, while responding sincerely to all directors' requests for additional data. The company is devoting its best efforts to achieving soundness in the deliberation of the BOD agendas and efficient operation of the BOD.

Meeting g	Agenda		Approval	Regular/Extraordinary	Meeting date	Date of notification of agenda	No. of attendees /Quorum
	Category	Description					
1st	Items for reporting	1. Reporting business performance of 4th quarter of 2019	Reported	Regular	2020.01.29	2020.01.23	5/7

		2. Reporting operational status of internal accounting management policy					
	Items for approval	1. Approving 16th financial statement and business report	Passed				
		2. Approving business plans for 2020					
		3. Approving limit on total amount for transactions with interested persons					
		4. Approving annual loan limit for 2020					
		5. Approving self-dealings with affiliates and other matters (annual performance results/annual business plan)	Rejected				
		6. Approving amendment of HR management regulations for executive officers					
		7. Appointing members of Independent Director Recommendation Committee	Passed				
		8. Appointing executive officers					
2nd	Items for approval	1. Approving stock transfer/sales	Passed	Extraordinary	2020.02.07	2020.02.05	5/7
3rd	Items for reporting	1. Reporting results of evaluating operational status of internal accounting policy	Reported	Regular	2020.02.28	2020.02.27	5/7
		2. Reporting operational status of compliance system					
	Items for approval	1. Approving convocation of regular general shareholders' meeting	Passed				
2. Approving agenda of regular general shareholders' meeting							

		(1) Approving 18th financial statement					
		(2) Approving amendment of Articles of Incorporation					
		(3) Appointing directors					
		(4) Appointing members of Audit Committee					
		(5) Approving director compensation limit					
		3. Approving maintenance of one advisor contract					
4th	Items for approval	1. Appointing executive officers	Passed	Regular	2020.03.26	2020.03.25	7/7
		2. Appointing members of Business Management Committee					
		3. Approving payout of director compensation for 2020					
		4. Approving payment of special bonuses to executive officers					
		5. Approving full-time advisor/consultant appointments					
		6. Approving appointments of advisors and lump-sum payments to retiring directors					
5th	Items for reporting	1. Reporting business performance of 1st quarter of 2020	Reported	Regular	2020.04.28	2020.04.27	7/7
6th	Items for reporting	1. Reporting business performance of 2nd quarter of 2020	Reported	Regular	2020.07.28	2020.07.24	7/7
		2. Reporting performance in self-dealing with affiliates, etc. in 1st half					
	Items for approval	1. Approving transactions in products and services with affiliates	Passed				

7th	Items for reporting	1. Reporting business performance of 3rd quarter of 2020	Reported	Regular	2020.10.29	2020.10.28	7/7
8th	Items for approval	1. Approving limit on total amount for transactions with interested persons in 2021	Passed	Regular	2020.11.26	2020.11.23	7/7
		2. Approving self-dealings with affiliates, etc. for 2021					
3. Approving transactions in products and services with affiliates for 2021							
4. Approving real estate lease contracts							
5. Approving regular HR decisions regarding executive officers for 2021							
	Items for reporting	6. Approving maintenance of one advisor contract	Reported				
		7. Approving lump-sum payments to retiring directors					
9th	Items for approval	1. Reporting recruitment of special executives in 2020	Reported	Extraordinary	2020.12.23	2020.12.20	7/7
		2. Reporting results of discipline of executive officers in 2020					
1st	Items for approval	1. Approving division plans	Passed	Regular	2021.01.28	2021.01.27	7/7
		2. Approving sell-off of affiliate stock to set up JV					
		1. Approving 19th financial statement and business report					
		2. Approving introduction of electronic voting system					
		3. Approving business plans for 2021					
		4. Approving annual loan limit for 2021					

		<p>5. Approving industrial safety and hygiene plans</p> <p>6. Appointing members of Independent Director Recommendation Committee</p> <p>7. Appointing compliance officers</p> <p>8. Approving maintenance of one advisor contract</p>					
	Items for reporting	<p>1. Reporting operational status of internal accounting management policy</p> <p>2. Reporting business performance of 4th quarter of 2020</p> <p>3. Reporting measures to improve business efficiency</p>	Reported				
2nd	Items for approval	<p>1. Approving convocation and agenda of regular general shareholders' meeting</p> <p>(1) Approving 19th financial statement</p> <p>(2) Approving amendment of Articles of Incorporation</p> <p>(3) Appointing directors</p> <p>(4) Appointing directors to serve as members of Audit Committee</p> <p>(5) Approving director compensation limit</p> <p>(6) Approving division plans</p>	Passed	Regular	2021.02.25	2021.02.23	7/7
	Items for reporting	<p>1. Reporting results of evaluating operational status of internal accounting policy</p> <p>2. Reporting operational status of</p>	Reported				

		compliance system					
		3. Reporting progress of business efficiency improvement					
3rd	Items for approval	1. Appointing executive officers	Passed	Regular	2021.03.24	2021.03.22	7/7
		2. Appointing members of Business Management Committee					
		3. Approving payout of director compensation for 2021					
		4. Approving amendment of HR management regulations for executive officers					
		5. Approving payments of performance incentives to executive officers					
		6. Approving appointments of advisors and consultants					
		7. Approving maintenance of one advisor contract					
		8. Approving lump-sum payments to retiring directors					
4th	Items for approval	1. Approving exit from MC business	Passed	Extraordinary	2021.04.05	2021.04.02	7/7
5th	Items for approval	1. Approving amendments of BOD and Audit Committee regulations	Passed	Regular	2021.04.28	2021.04.26	7/7
		2. Approving establishment of Internal Transactions Committee					
		3. Approving establishment of ESG Committee					
		4. Approving adjustment of compensation for independent directors					
		5. Approving lump-sum payments to retiring directors					

	6. Approving maintenance of one advisor contract					
	7. Approving participation in paid-in capital increase of Nanjing Affiliate					
Items for reporting	1. Reporting business performance of 1st quarter of 2021	Reported				

B) Regular Convocation of BOD Meetings, and Establishment of BOD Operating Rules

We hold the BOD meetings on a regular basis as detailed above, and have set up and apply organized BOD operational rules.

(Principle 7-②)

The BOD should keep detailed meeting minutes of each meeting and make public the details of BOD activities such as the meeting attendance rates and votes on agenda items of each director.

A) Maintenance of Detailed Meeting Minutes and Transcripts of BOD Meetings

The BOD Secretariat prepares and preserves the minutes of all BOD meetings in accordance with Item 1, Paragraph 3, Article 391 of the Commercial Act, and they include records of the agenda items, results of deliberation, directors opposing the final resolutions and their reasons for opposition, and the signatures/seals of attending directors. These meeting minutes are preserved by the BOD Secretariat. No transcript of the BOD meeting discussions is kept.

B) BOD Meeting Attendance of Directors

[Table 7-②-1] BOD meeting attendance of individual directors during time from start of business year immediately before public disclosure period until disclosure filing date

Category	Meeting	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	1st	2nd	3rd	4th	5th
	Convocation date	'20. 01.29	'20. 02.7	'20. 02.28	'20. 03.26	'20. 04.28	'20. 07.28	'20. 10.29	'20. 11.26	'20. 12.23	'21. 01.28	'21. 02.25	'21. 03.24	'21. 04.05	'21. 04.28
Executive	Jo Seong-jin	X	X	X	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Jeong Do-hyeon	X	X	X	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Kwon Bong-suk	NA	NA	NA	O	O	O	O	O	O	O	O	O	O	O
	Bae Doo-yong	NA	NA	NA	O	O	O	O	O	O	O	O	O	O	O
Independent	Choi Jun-keun	O	O	O	O	O	O	O	O	O	O	O	NA	NA	NA
	Kim Dae-hyung	O	O	O	O	O	O	O	O	O	O	O	O	O	O

	Baek Yong-ho	○	○	○	○	○	○	○	○	○	○	○	○	○	○
	Lee Sang-gu	○	○	○	○	○	○	○	○	○	○	○	○	○	○
	Kang Soo-jin	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	○	○	○
Non-executive	Kwon Young-su	○	○	○	○	○	○	○	○	○	○	○	○	○	○

▷ (Table 7-②-2) Attendance rates and rates of voting “yea” of directors in past three business years

Name	Category	Term on BOD	Attendance rate (%)				Proportion of “yea” votes (%)			
			Past 3 years average	Past 3 years ¹⁾			Past 3 years average	Past 3 years		
				2020	2019	2018		2020	2019	2018
Lee Chang-woo	Independent	2013.03.15 ~ 2019.03.15	100.0	-	100.0	100.0	100.0	-	100.0	100.0
Choi Jun-keun		2015.03.19 ~ 2021.03.18	100.0	100.0	100.0	100.0	99.0	96.9	100.0	100.0
Kim Dae-hyung		2016.03.18 ~Present	100.0	100.0	100.0	100.0	99.0	96.9	100.0	100.0
Baek Yong-ho		2017.03.17 ~Present	100.0	100.0	100.0	100.0	99.0	96.9	100.0	100.0
Lee Sang-gu		2019.03.15 ~Present	100.0	100.0	100.0	-	98.6	96.9	100.0	-
Jo Seong-jin	Executive	2016.03.18 ~ 2020.03.26	84.2	0.0	100.0	100.0	100.0	-	100.0	100.0
Jeong Do-hyeon		2008.03.14 ~ 2020.03.26	84.2	0.0	100.0	100.0	100.0	-	100.0	100.0
Kwon Bong-suk		2020.03.26 ~Present	100.0	100.0	-	-	100.0	100.0	-	-
Bae Doo-yong		2020.03.26 ~Present	100.0	100.0	-	-	100.0	100.0	-	-
Koo Bon-jun	Non-executive	2017.03.17 ~ 2019.03.14	54.5	-	0.0	66.7	100.0	-	-	100.0
Kwon Young-su		2019.03.15 ~Present	100.0	100.0	100.0	-	98.6	96.9	100.0	-

1) Years among the past three years not included in a director’s term in office are marked with a “-”.

(Core Principle 8) Committees Under BOD

To ensure its efficient operation, the BOD should install committees under it which carry out certain functions and roles.

(Principle 8-①)

More than one-half of each committee under the BOD shall be composed of independent directors. The Audit Committee and the Compensation Committee shall each be composed entirely of independent directors.

A) Establishment, Main Roles and Composition of Committees under BOD

There are five committees operating under the BOD - the Audit Committee, Independent Director Candidate Recommendation Committee, Business Management Committee, Internal Transactions Committee and ESG Committee. Among them, the Audit Committee and the Independent Director Candidate Recommendation Committee have been established mandatorily as stipulated by relevant laws such as the Commercial Act. The establishment of the Business Management Committee was decided by the BOD at its discretion, as a means of enhancing the expertise, independence and efficiency of the BOD.

(i) Audit Committee

Our company has an Audit Committee established in accordance with Article 542-11 of the Commercial Act. All of the three members of this committee are independent directors. Refer to the discussion of Principle 9-① for details on the rights and operational status of the Audit Committee and the organizations that provide assistance in auditing.

(ii) Independent Director Candidate Recommendation Committee

Our company has an Independent Director Candidate Recommendation Committee in place and operating in accordance with Article 542-8, Paragraph 4 of the Commercial Act and Article 28-2 of the Articles of Incorporation, to carry out the task of recommending candidates for positions as independent directors. In order to secure fairness and independence in the appointment of independent directors and operation of the Independent Director Candidate Recommendation Committee, more than one-half of the committee is made up of independent directors—two independent directors and one non-executive director—in accordance with the Commercial Act and the Independent Director Candidate Recommendation Committee Regulations.

(iii) Business Management Committee

In accordance with Article 33 of the Articles of Incorporation and Articles 13 and 14 of the BOD Regulations, the Business Management Committee is charged with handling matters delegated to it by the BOD and other everyday business matters, in order to facilitate flexible responses to changes in the business environment and interest rates and promote concentrated and efficient operation of the BOD. The Business Management Committee consists of two executive directors and one non-executive director.

(iv) ESG Committee

As per Article 33 of the Articles of Incorporation and Articles 13 and 14 of the BOD Regulations, we set up the ESG Committee on April 28, 2021, with the aim of helping to realize long-term and sustainable growth by enhancing our management related to its environmental and social aspects

and governance. The ESG Committee decides on basic policies and strategies for ESG management and the establishment of relevant mid- to long-term goals, while supervising the planning of performance in carrying out ESG management activities and the responses to serious risks that arise, to ensure the most effective ESG management. The ESG Committee is made up of one executive director and four independent directors.

(v) Internal Transactions Committee

As per Article 33 of the Articles of Incorporation and Articles 13 and 14 of the BOD Regulations, the BOD decided on April 28, 2021 to set up the Internal Transactions Committee on July 1 of the same year, in an effort to strengthen its internal controls of internal dealings so as to enhance the fairness of its trade and transparency in its management. The Internal Transactions Committee will control internal dealings which are subject to regulation under the Commercial Act and the Fair Trade Act, based on standards stricter than stipulated in those acts. The Internal Transactions Committee is composed of one executive director and three independent directors.

B) Appointing Independent Directors to Comprise a Majority in Each Committee under BOD (and Entireties of Audit and Compensation Committees)

The Audit Committee is composed entirely of independent directors (3), while more than half (2 of 3) of the Independent Director Candidate Recommendation Committee members are independent directors. The ESG Committee (4 or 5) and Internal Transactions Committee (3 of 4) are also set up with independent directors making up their majorities with exceptions of one (non-)executive director each. However, the Business Management Committee is composed wholly of executive or non-executive directors, due to its nature of having to make everyday business decisions.

(Principle 8-②)

All matters regarding the organization, operation and rights of each committee should be expressly stipulated in writing, and each committee should report its resolutions to the BOD.

A) Whether the Organization, Operation and Rights of Each Committee under the BOD Are Expressly Stipulated

- (i) Purposes of establishment, rights and responsibilities of committees, committee activities during public disclosure period and performance assessment, compositions of committees, and qualifications and appointments/dismissals of committee members**

The Audit Committee audits the accounts and business activities of the company, for which it may request business reports from the directors or investigate the statuses of businesses and assets of the company at any time that it wishes. During the public disclosure period there were five meetings of the Audit Committee held, in which the main business tasks were audited, the operational status of the company's internal accounting management policy was evaluated, and the operational status of the internal supervision system was inspected in order to oversee the execution of their duties by the directors and management. Members of the Audit Committee are appointed in general shareholders' meetings, and should meet the qualifications stipulated in the Commercial Act.

The Independent Director Candidate Recommendation Committee has the right to recommend candidates for positions as independent directors. During the public disclosure period the

Independent Director Candidate Recommendation Committee met once, and evaluated independent director candidates' qualifications and capabilities and made recommendations accordingly. Members of the Independent Director Candidate Recommendation Committee are appointed in general shareholders' meetings, and should meet the qualifications stipulated in the Commercial Act.

The Business Management Committee has the right to carry out deliberations and voting on matters delegated to it by the BOD as well as other, everyday management concerns. There were 17 Business Management Committee meetings held during the public disclosure period, so as to improve the speed of making normal business decisions. The BOD appoints members of the Business Management Committee, and the members should be chosen for appointment from among the board directors.

The ESG Committee was newly set up on April 28, 2021, in an effort to promote the realization of long-term and sustainable growth by enhancing the company's management in terms of its environmental and social aspects and governance.

The Internal Transactions Committee is to be set up on July 1, 2021, for the purpose of strengthening the company's internal controls of internal dealings and thereby enhance the fairness of its trade and the transparency in its management. The committee's establishment, composition and regulations were approved by the BOD on April 28, 2021.

The purpose of establishment, duties and rights, composition, and members' qualifications and terms in office, etc. for each committee are stated in the corresponding committee regulations.

B) Reporting of Committee Resolutions to BOD

In accordance with Article 393-2, Paragraph 4 of the Commercial Act, Article 12 of the Audit Committee Regulations, Article 12 of the Independent Director Candidate Recommendation Committee Regulations, and Article 13 of the Business Management Committee Regulations, all resolutions of all committees should be reported to the board of directors. As per Article 3 of the ESG Committee Regulations and Article 3 of the Internal Transactions Committee Regulations, the corresponding committee may choose to report its resolutions to the BOD as it deems necessary, and it is planned that these committees will regularly report their main decisions and submit their reports to the BOD in the future.

C) Meetings Held by Each Committee, and Rates of Meeting Attendance of Each Director during Past Three Business Years

▷ (Table 8-②-1) Meetings of committees under BOD (refer to Table 9-②-1 for Audit Committee)

■ Independent Director Candidate Recommendation Committee

(i) Meetings held during time from start of business year immediately before public disclosure period until disclosure filing date

Meeting	Meeting date	No. of Attendees/Quorum	Agenda		Passed/Rejected
			Category	Description	
1st	2020.02.28	3/3	Items for approval	Recommendation of independent director candidates	Passed
2nd	2021.02.25	3/3	Items for approval	Recommendation of independent director candidates	Passed

(ii) Attendance rate of each director in past three business years

Category	Name	Attendance rate (%)			
		Past 3 years average	Past 3 years ¹⁾		
			2020	2019	2018
Independent	Lee Chang-woo	100	-	-	100
	Choi Jun-keun	100	100	100	-
	Kim Dae-hyung	100	100	-	100
	Baek Yong-ho	100	-	100	-
Executive	Jo Seong-jin	100	-	100	100
Non-executive	Kwon Young-su	100	100	-	-

1) Years among the past three years not included in a director's term in office are marked with a "-".

■ Business Management Committee

(i) Meetings held during time from start of business year immediately before public disclosure period until disclosure filing date

Meeting	Meeting date	No. of Attendees /Quorum	Agenda		Passed/Rejected
			Category	Description	
1st	2020.01.20	3/3	Item for approval	(Shinhan Bank) Agreement on corporate credit limit transactions	Passed
2nd	2020.02.05	3/3	Items for approval	(Kookmin Bank) Agreement on corporate credit limit transactions	Passed
			Items for approval	LG Electronics Co., Ltd. issuance of 95-1st, 95-2nd, and 95-3rd non-guaranteed public placement bonds	Passed
3rd	2020.02.12	3/3	Item for approval	(Woori Bank) Extension of agreement on payment guarantee for overseas subsidiaries	Passed
4th	2020.03.16	3/3	Item for approval	(Korea Development Bank) Credit limit agreement	Passed
5th	2020.04.13	3/3	Items for approval	Borrowing of foreign currency loan	Passed
				(Standard Chartered Bank Korea) Extension of credit line agreement	
				(Australia and New Zealand Banking Group) Extension of agreement on export bond-secured loan limit	
6th	2020.05.14	3/3	Items for approval	(KB Kookmin Bank) Extension of agreement on export bond-secured loan limit	Passed
				(Crédit Agricole CIB) Extension of agreement on export bond-secured loan limit	
7th	2020.06.01	3/3	Item for approval	(Woori Bank) Agreement on corporate credit limit transactions	Passed
8th	2020.06.03	3/3	Item for approval	(KEB Hana Bank) Extension of foreign currency credit line agreement	Passed
9th	2020.06.15	3/3	Item for approval	(KEB Hana Bank) Agreement on corporate credit limit transactions	Passed

10th	2020.06.29	3/3	Items for approval	Issuance of 96th non-guaranteed private placement bonds	Passed
				(Industrial Bank of Korea) Agreement on corporate credit limit transactions	
				(The Development Bank of Singapore Limited) Issuance of floating rate foreign currency private placement bonds	
11th	2020.07.08	3/3	Item for approval	(KEB Hana Bank) Extension of foreign currency credit line agreement	Passed
12th	2020.08.18	3/3	Items for approval	(Woori Bank) Extension of agreement on export bond-secured loan limit	Passed
				(Scotiabank) Extension of agreement on export bond-secured loan limit	
13th	2020.10.05	3/3	Items for approval	(NH Bank) Extension of corporate credit limit contract	Passed
				(Shinhan Bank) Increase of export bond-secured loan limit and maturity	
				(Woori Bank) Increase of export bond-secured loan limit	
14th	2020.10.19	3/3	Item for approval	(KEB Hana Bank) Extension of corporate credit line limit agreement	Passed
15th	2020.11.03	3/3	Item for approval	(Citi) Extension of LGE short-term borrowing agreement	Passed
16th	2020.11.16	3/3	Items for approval	(Société Générale) Extension of agreement on export bond-secured loan limit	Passed
				(Woori Bank) Increase of export bond-secured loan limit	
17th	2020.12.14	3/3	Items for approval	(ING Bank) Extension of export bond-secured loan agreement and increase of loan limit	Passed
				(Bank of China) Extension of agreement on export bond-secured loan limit	
1st	2021.01.18	3/3	Item for approval	(Shinhan Bank) Extension of corporate credit limit contract	Passed
2nd	2021.02.05	3/3	Items for approval	Issuance of 97th non-guaranteed private placement bonds	Passed
				(Woori Bank) Extension of agreement on payment guarantee for overseas subsidiaries	
3rd	2021.02.22	3/3	Item for approval	(KB) Extension of corporate credit limit contract	Passed
4th	2021.03.16	3/3	Item for approval	(Korea Development Bank) Extension of agreement on export bond-secured loan limit	Passed
5th	2021.04.14	3/3	Item for approval	(Standard Chartered Bank Korea) Extension of credit line agreement	Passed
				(Australia and New Zealand Banking Group) Extension of agreement on export bond-secured loan limit	
6th	2021.04.16	3/3	Items for approval	(Korea Eximbank) Contract for government funding	Passed
				Issuance of 98th non-guaranteed public placement bonds	
7th	2021.05.11	3/3	Items for approval	(Crédit Agricole CIB) Extension of agreement on export bond-secured loan limit	Passed
				(KB Kookmin Bank) Extension of agreement on export bond-secured loan limit	
8th	2021.05.24	3/3	Items for approval	(Woori Bank) Agreement on corporate credit limit transactions	Passed
				(KEB Hana Bank) Extension of foreign currency credit line agreement	

(ii) Attendance rate of each director in past three business years

Category	Name	Term in office	Attendance rate (%)			
			Past 3 years average	Past 3 years ¹⁾		
				2020	2019	2018
Executive	Jo Seong-jin	"2016.03:18 - 2020.03:26"	100	100	100	100
Executive	Jeong Do-hyeon	2008.03.14 ~ 2020.03.26	100	100	100	100
Executive	Kwon Bong-suk	2020.03.26 ~ 현재	100	100	-	-
Executive	Bae Doo-yong	2020.03.26 ~ 현재	100	100	-	-
Non-executive	Koo Bon-jun	2017.03:17 ~ 2019.03:14 BP Explanation	77	-	0	65
Non-executive	Kwon Young-su	Mar. 15, 2019-Present	85	100	70	-

1) Years among the past three years not included in a director's term in office are marked with a "-".

4. Audit Bodies

(Core Principle 9) Internal Audit Body

The internal audit body including the Audit Committee and its auditors should sincerely carry out its auditing duties from a position independent of management or controlling shareholders, and the main activities of the internal audit body should be publicly disclosed.

(Principle 9-①)

The internal audit body including the Audit Committee and its auditors should be equipped with independence and expertise.

A) Composition of Internal Audit Body Including Audit Committee and Auditors

(i) Composition of internal audit body, designation of members and experts in accounting, finance and/or auditing

As of the date of this report, the Audit Committee is composed of three independent directors, one of whom is an expert in accounting/finance. [Table 9-①-1] shows the members' relevant career backgrounds and qualifications.

Kim Dae-hyung, an independent director who serves as the Audit Committee chair, is a certified accountant in both Korea and the U.S., and has worked for local and global accounting firms in line with his extensive expertise in financial statements, general accounting principles, and finance.

[Table 9-①-1] Composition of internal audit body

Audit Committee members			Auditing careers and qualifications	Remarks
Title	Category	Name		
Chairperson	Independent director	Kim Dae-hyeong	MBA, University of Chicago KICPA, USCPA Ankweon Accounting Firm, 1975 ('75.10 ~ '84.04) Director of Finance at Signetics Korea, 1984 CFO of GE Korea, 1989 CFO of GE Lighting China, 1993 CFO of GE Lighting Asia/Pacific, 1997 FP&A and Accounting Ops Manager of GE Lighting Global, 1998 CFO of GE Plastics China and CFO of GE Plastics Asia/Pacific, 2000 CFO of SABIC IP Asia/Pacific, 2007 Financial Services Director of SABIC Asia, 2009 Commercial Finance Director of SABIC IP Asia/Pacific, 2013-2015 PT, Finance Director of The Sevensedu Indonesia, 2015-2017 Executive Director, Nasol Systems, 2017~Present	Expert in accounting and finance
			Ph.D. in Economics, State University of New York	-

Committee member	Independent director	Baek Yong-ho	Head of Seoul Institute, 2002 Chair of Fair Trade Commission, 2008 Head of National Tax Service, 2009 Chief Secretary to the President for National Policy, Blue House, 2010 President's Chief Policy Advisor, 2012 Professor at Graduate School of Policy Science, Ewha Women's University, 2013~Present	
Committee member	Independent director	Kang Soo-jin	Passed 34th Bar Exam, 1992 Completed 24th course of Judicial Research and Training Institute, 1995 Prosecutor for Regional Prosecutor's Offices in Seoul, Suwon, Daejeon, 1995 Attorney, LAWLOGOS Law Firm, 2005 Litigation officer of Fair Trade Commission, 2009 Associate attorney, Yunchon Law Firm, 2010 Professor at Law School of Korea University, 2011~Present	Newly appointed, March 2021

※ At the 19th General Shareholders' Meeting on March 24, 2021, Independent Director Choi Jun-keun retired upon the expiry of his term, and Independent Director Kang Soo-jin was appointed as an Audit Committee member in his stead.

(ii) Policy to secure independence and expertise of internal audit body

To ensure the highest level of independence and expertise, the relevant laws along with our Articles of Incorporation and Audit Committee Regulations require that two-thirds or more of the Audit Committee members be independent directors while at least one member should be an expert in accounting or finance (Paragraph 2, Article 415 and Paragraph 11 of Article 542 of the Commercial Act, Article 38 of the Articles of Incorporation, and Article 4 of the Audit Committee Regulations). The company is securing maximum independence by structuring the Audit Committee so that all auditors are independent directors without interests in or relationships with the company or its largest shareholders. We have also set up and operate the Independent Director Candidate Recommendation Committee to appoint auditors, as per Article 13 of the BOD Regulations, and potential members of the Audit Committee recommended by the Independent Director Candidate Recommendation Committee go through strict screening by the BOD before their appointments are finalized at the shareholders' meeting.

Article 38 of the Articles of Incorporation stipulates that, for shareholders holding shares in excess of 3% of total issued shares with voting rights, the excess shares shall not have voting rights, and this ensures that members of the Audit Committee can be selected independently of any influence from the largest shareholders. The company also introduces and operates training programs on matters necessary for auditing, in order to support the Audit Committee in strengthening its expertise.

B) Operation of Internal Audit Body

(i) Regulations stipulating goals, organization, rights and responsibilities of internal audit body

The company has put into place separate Audit Committee Regulations, and the Audit Committee is operated in accordance with these regulations to ensure its ability to maintain objectivity in performing its tasks from a point of view independent of executive company organs such as the BOD or management. In accordance with Articles 3 and 11 of the Audit Committee Regulations, the

committee audits the company's accounts and major business operations, evaluates the operational status of its internal accounting policy and inspects the operational status of its internal supervision system. The committee supervises the execution of their duties by the BOD and management so that they can make reasonable business decisions. It can also appoint, replace and dismiss external auditors in accord with Articles 16, 17 and 18 of the Audit Committee Regulations.

(ii) Provision of training necessary for execution of duties, and support for obtaining advise from outsides

We provide training to members of the Audit Committee by utilizing external experts and agencies, as shown for example in the table below. The topics of training include amendments of laws regarding external auditing of corporations, and recent trends in accounting supervision.

Training date (and length)	Agency providing education	Attending auditors	Main educational contents
2020.04.27 (One hour)	Samil PwC	Kim Dae-hyung, Choi Jun-keun	Recent trends in accounting supervision
2020.04.28 (One hour)	Samil PwC	Baek Yong-ho	Recent trend sin accounting supervision
2020.10.28 (One hour)	Samil PwC	Kim Dae-hyung, Choi Jun-keun	Amended Enforcement Ordinance of External Audit Act, and Analysis of audit results of internal accounting system in 2019
2020.10.29 (One hour)	Samil PwC	Baek Yong-ho	Auditing of internal accounting system (by extending consolidation criteria)
2021.04.26 (One hour)	Samil PwC	Kim Dae-hyung, Kang Soo-jin	Recent trends in accounting supervision
2021.04.28 (One hour)	Samil PwC	Baek Yong-ho	Recent trends in accounting supervision

(iii) Investigations into fraudulent behavior by management, and provision of information and financial support to internal audit body by management

When the Audit Committee is notified by an external auditor of a violation of the company's accounting management standards, it can appoint external auditors at the company's expense to investigate that issue, receive reports on the investigation's results, and request the taking of corrective actions to the company's CEO.

The Audit Committee can at any time request the provision of business reports to it by board directors or investigate the company's status in terms of business and assets in order to audit its accounts and businesses, and has the right to request participation by relevant executives, employees or external auditors in meetings to receive sufficient information. The Audit Committee can also seek advice from external experts at the company's expense, in accordance with Article 21 of the Audit Committee Regulations.

(iv) Establishment of organizations supporting internal audit body

We have been operating the Internal Accounting Audit Team under the Jeong-do Management Center, to support the Audit Committee in its preparation of audit reports and evaluation of the

operation of our internal accounting system, and heighten the effectiveness of its examinations of the company's internal supervisory mechanisms. To ensure its maximum independence, this team reports directly to the Audit Committee.

However, the Audit Committee is not given authority to either appoint or dismiss the head of the Internal Accounting Audit Team, and so in Article 11 of the Audit Committee Regulations we have expressly stipulated the procedure for obtaining the Audit Committee's consent to appointments or dismissals of heads of the departments supporting it, in order to enhance the independence and professionalism of the committee's auditing while making up for its lack of such authority. From the first half of 2021 there is also a separate audit support team from which the Audit Committee can obtain consents regarding appointments or dismissals of team heads. This team consists of four members including its head, all of whom have years of expertise in accounting and finance tasks at LGE.

The evaluations of the internal accounting system previously conducted by the Internal Accounting Audit Team will now be commissioned to external experts, who will report directly to the Audit Committee.

Department (Team) name	Number of members	Positions	Main tasks
Audit Support Team	4	1 team head, 3 chief staff	<ul style="list-style-type: none"> • Support evaluation of internal accounting system • Support Audit Committee Secretariat (related to meeting agendas, minutes, training, etc.) • Selection of external auditors and follow-up evaluations • Evaluation of internal supervision mechanism • Checking appropriateness of audit reports, and reporting to Audit Committee • Checking requests from Audit Committee, and other relevant issues

※ The support to the Audit Committee previously provided by the Internal Accounting Audit Team has been enhanced by adding an independent body to support the Audit Committee from the 1st half of 2021.

(v) Access to major management information for internal audit body

If the Audit Committee judges it necessary for the carrying out of its tasks, it can at any time request of directors the provision to it of reports concerning the company's business in accordance with Article 3 of the Audit Committee Regulations, or carry out investigations of the statuses of the company's business or assets.

C) Compensation of Audit Committee Members

(i) Audit Committee member compensation policy, and comparison with compensation of independent directors who are not Audit Committee members

Our company provides the same amount of compensation to all independent directors regardless of whether they are members of the Audit Committee or not. The company does not plan to compensate independent directors who are not audit committee members any differently from those who are.

D) Independence and Expertise of Internal Audit Body

As stated above, our company's Audit Committee is made up of three independent directors, among whom one is an accounting or financial specialist in accordance with the Commercial Act, and there are separate Audit Committee Regulations established and in operation. We also provide committee

members training in skills and knowledge required for their conduct of auditing tasks through external experts and agencies, which serves to ensure the independence and expertise of the internal audit body while also fulfilling the legal requirements in this regard.

(Principle 9-②)

The internal audit body including the Audit Committee and the auditors should sincerely perform its auditing tasks through regular meetings, etc., and transparently disclose its activities.

A) Details of Internal Audit Body's Activities

(i) Activities conducted during time from start of business year immediately before public disclosure period until disclosure filing date, such as auditing, selection of external auditors, and evaluation of internal accounting system

Table 9-②-1-① summarizes the auditing activities carried out by the company's internal audit body in 2020 and up until the disclosure filing date in 2021.

The Audit Committee convened five meetings in 2020 and three in 2021 until the date of this report, at which it received reports on the financial statement and audit results from the company and external auditors on a quarterly basis.

Regarding the designation of external auditors, as discussed below in section A) related to (Principle 10-①), the Audit Committee Regulations have been amended to allow the selection of external auditors in line with the amended Act on External Audit of Stock Companies of November 2018. In accordance with the amended regulations and the prescribed procedures and criteria for auditor selection, the Audit Committee has designated Samil PricewaterhouseCoopers as the external auditor of LGE for the three business years from 2021 to 2023, based on in-person meetings in October 2020.

As described in [Table 9-②-1], the Audit Committee received reports on the internal accounting system (in January 2020 and 2021), and after deciding on its evaluation of the system reported the results to the BOD (in February 2020 and 2021), the second time as follows:

The committee assessed the design and operational status of the company's internal accounting management policy for the fiscal year ending on December 31, 2020. The management of the company, including its representatives and internal accounting managers, are responsible for design and operation of the internal accounting management policy, and the Audit Committee is responsible for its supervision.

Referring to the report on operational status of the internal accounting management policy submitted to it by the company's CEO and internal accounting manager, the Audit Committee assessed whether the company's internal accounting management policy is designed and

operated effectively to prevent and discover errors or fraudulent acts that could result in distortions of the financial statements, and so ensure the creation and disclosure of reliable financial statements. The committee also assessed whether the internal accounting management system contributes substantially to the writing and disclosure of reliable accounting information. Further, the Audit Committee inspected the report for any false statements or indications, and any omissions from statements or indications, and reviewed whether the plan to revise the report on the operational status of the internal accounting management policy can actually contribute to improving the company's internal accounting management policy. The Audit Committee used the "Evaluation and Reporting Standards for Internal Accounting Management Policy," released by the Internal Accounting Management Policy Committee, as the standard for evaluating the design and operational status of internal accounting management policy.

It is the opinion of the Audit Committee that, as of December 31, 2020, the design and operation of the internal accounting management policy are effective. It has made this judgement based on the company's "Conceptual System for the Design and Operation of the Internal Accounting Management Policy."

(ii) (Table 9-②-1) Audit Committee meetings, attendance details and attendance during time rates from start of business year immediately before public disclosure period until disclosure filing date

① Audit Committee meetings held

Meeting	Meeting date	No. of Attendees/Quorum	Agenda		Passed/Rejected
			Category	Description	
1st	2020.01.29	3/3	Report	Reporting financial statement of 4th quarter of 2019	Reported
			Report	Reporting operational status of internal accounting management policy	Reported
			Report	Reporting auditing progress of external auditor	Reported
2nd	2020.02.28	3/3	Report	Reporting progress of audit of internal accounting management policy	Reported
			Resolution	Resolution on audit report	Passed
			Resolution	Resolution on assessment report on internal supervision system's operational status	Passed
			Resolution	Resolution on results of evaluating operational status of internal accounting management policy	Passed
3rd	2020.04.28	3/3	Report	Reporting financial statement of 1st quarter of 2020	Reported
			Report	Reporting auditing progress of external auditor	Reported
4th	2020.07.28	3/3	Report	Reporting financial statement of 2nd quarter of 2020	Reported

			Report	Reporting auditing progress of external auditor	Reported
5th	2020.10.29	3/3	Report	Reporting financial statement of 3rd quarter of 2020	Reported
			Resolution	Selecting external auditors	Passed
			Report	Reporting auditing progress of external auditor	Reported
1st	2021.01.28	3/3	Report	Reporting financial statement of 4th quarter of 2020	Reported
			Report	Reporting operational status of internal accounting management policy	Reported
			Report	Reporting auditing progress by external auditor	Reported
2nd	2021.02.25	3/3	Report	Reporting progress of audit of internal accounting management policy	Reported
			Resolution	Resolution of audit report	Passed
			Resolution	Resolution on assessment report on internal supervision system's operational status	Passed
			Resolution	Resolution on results of evaluating operational status of internal accounting management policy	Passed
3rd	2021.04.28	3/3	Report	Reporting financial statement of 1st quarter of 2021	Reported
			Report	Reporting auditing progress of external auditor	Reported

② Audit Committee meeting attendance of each director

Category	Year	2020					2021			Remarks
	Meeting	1st	2nd	3rd	4nd	5nd	1st	2nd	3rd	
	Meeting date	01.29	02.28	04.28	07.28	10.29	01.28	02.25	04.28	
Independent	Kim Dae-hyung	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	-
	Choi Jun-keun	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Not applicable	2021.03.24 Term expired
	Baek Yong-ho	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	-
	Kang Soo-jin	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Attended	2021.03.24 Junior

③ Audit Committee meeting attendance rate of each director in past three business years

Category	Name	Term in office	Attendance rate (%)			
			Past 3 years average	Past 3 Years ¹⁾		
				2020	2019	2018
Independent directors	Kim Dae-hyung	2017.03 ~ Current	100	100	100	100
	Choi Jun-keun	2015.03 ~2021.03	100	100	100	100
	Baek Yong-ho	2019.03 ~ Current	100	100	100	-
	Lee Chang-woo	2013.03 - 2019.03	100	-	100	100

1) Years among the past three not included in a director's term in office are marked with a "-".

(iii) Internal regulations regarding audit procedure, recording and preservation of meeting minutes and relevant records, and procedures for reporting to shareholders' meetings

The content of the activities of the Audit Committee are as summarized above, and the points discussed during its meetings are recorded in the Audit Report in accordance with Article 15 of the Audit Committee Regulations. The committee members also attend the general shareholders' meeting to report the results of their auditing of the company's accounts and businesses.

B) Internal Audit Body's Faithful Execution of Its Duties

As stated above, our company's internal audit body (the Audit Committee) is faithfully executing its auditing duties by conducting audits through the Internal Audit Department, evaluating the operational status of the company's internal accounting management policy, and holding regular Audit Committee meetings while ensuring the full attendance of committee members.

(Core Principle 10) External Auditors

The external auditor should perform audits fairly from a perspective that is independent of the company being audited and its management and controlling shareholders, so that the company's accounting information is trusted by the shareholders and its users.

(Principle 10-①)

The internal audit body should set up and implement policies for selection of external auditors aimed at ensuring their independence and expertise.

A) Policy on Appointment and Operations of External Auditors

(i) Criteria for selection of external auditors, and procedures for ensuring their independence and expertise

To secure the independence and expertise of its external auditors in accordance with Article 4-2 of the Act on External Audit of Stock Companies (regarding appointments of auditors of listed corporations, etc.) before its revision, our company appointed the same auditor for the three consecutive business years from 2018, and in accordance with Article 4 of that same law (regarding appointments and dismissals of auditors), the Audit Committee discussed matters regarding the auditor's reliability, independence, expertise, global network, audit plans, audit schedule and compensation required for its auditing work, and approved on January 23, 2018 the appointment of Samil PwC as the external auditor for the three consecutive business years from 2018 to 2020.

Meanwhile, the Audit Committee Regulations have been amended so that the committee now selects its external auditors in line with Article 10 (Selection of Auditors) of the Act on External Audit of Stock Companies amended in November 2018. "External Auditor Selection Criteria and Procedures" have also been added to the Audit Committee Regulations, which allowed the committee to evaluate proposals from candidates to serve as the company's next external auditor through in-person meetings, after which it designated Samil PricewaterhouseCoopers on October 19, 2020 as its external auditor for three more business years from 2021 to 2023.

(ii) Establishment of Auditor Selection Committee

N/A

(iii) Number of meetings held to decide on appointment of external auditor, and points discussed in each meeting

One Audit Committee meeting was held in January 2018 to decide on appointment of the company's external auditor at that time, after which the appointed external auditor conducted its auditing work for three years from 2018 to 2020. The committee collectively evaluated each candidate's performance in its auditing and non-auditing tasks, understanding of the company, auditing strategies, audit quality management plan, accounting audit supervision and lawsuit history, number of staff participating in auditing, level of expertise, etc. prior to its decision on the external auditor's appointment.

Pursuant to the Act on External Audit of Stock Companies as amended in November 2018, an Audit Committee meeting was held in October 2020 regarding the most recent selection of a firm to serve as the external auditor of LGE for three years from 2021 to 2023. The committee again collectively evaluated each candidate's performance in auditing and non-auditing tasks,

understanding of the company, auditing strategies, audit quality management plan, accounting audit supervision and lawsuit history, number of staff taking part in auditing, level of expertise, etc. when appointing the external auditor.

(iv) Evaluation of external auditors, and details

The Audit Committee evaluates the auditing activities of the external auditor each year, at which time it considers matters such as the appropriateness of its auditing methodologies, level of cooperation with the Internal Audit Department, status regarding any restrictions by the regulators, and periodic replacements of audit managing partners.

(v) Receiving of non-audit services

For the purpose of maintaining its independence as an external auditor, Samil PwC performs non-auditing tasks that external auditors are allowed to perform in accordance with the related laws such as the duty restrictions in the Certified Public Accountant Act, and are judged to not undermine an internal auditor's independence, after receiving the prior consent of or negotiating an agreement on this with the Audit Committee. The Audit Committee collectively reviews whether such tasks are in compliance with Article 21 (duty restrictions) of the Certified Public Accountant Act and Article 14 (duty restrictions) of the enforcement decree of that same law, as well as the possibility of harm to its independence, its need for the contract, the appropriateness of the contract fee, etc.

In 2020 there was one non-audit contract formed with Samil PwC, for the provision of advisory services on tax-related matters. Our company does not receive non-auditing services such as business advisory services through any subsidiaries of the external auditor.

The external auditor Samil PwC attends the company's general shareholders' meeting to provide its opinions and answer the questions of shareholders, etc. in accordance with Article 24 (attendance at general shareholders' meeting) of The Act on External Audit of Stock Companies.

B) Policy for Securing Independence and Expertise of External Auditors in Appointing Them

In order to ensure their independence and expertise when selecting external auditors, our Audit Committee makes the selection in accordance with the relevant laws by comprehensively evaluating candidate firms' auditing and non-auditing performances, understandings of the company, audit strategies, audit quality control plans, history of supervisions and lawsuits regarding accounting audits, numbers of auditors engaged in carrying out audits, and expertise.

(Principle 10-②)

The internal audit body should communicate with the external auditors on a regular basis during all phases of the external audit including its performance and the reporting of its results.

A) Communication between Internal Audit Body and External Auditors

(i) Discussion of main external audit matters at least once each quarter without participation of management

After reviewing the company's important accounting standards and its quarterly and half-year financial statements, and auditing the end-of-year financial statement to identify any critical violations in terms of business execution by management or other violations of the law or the Articles

of Incorporation, the Audit Committee exchanges opinions without the participation of management on the main matters concerned after receiving a report directly from Samil PwC following its audit (review) of the most recent half-year settlement (refer to Table 9-②-①).

(ii) Main discussions and procedures for reflecting them in internal audit process

The external auditor reviews the financial statement of each quarter or half-year and audits the end-of-year financial statement, and reports the results to the Audit Committee for further discussion. Specifically, the external auditor regularly reports to and discusses with the Audit Committee key audit items, violations identified in the half-year/quarter review results or end-of-year audit, the results of internal accounting management policy audits, etc. (refer to Table 9-②-①).

(iii) Procedure for external auditors notifying internal audit body of significant findings from its audits, and roles/responsibilities of internal audit body in this regard

As stated in (ii), the external auditor is obligated to report key audit results to the Audit Committee each quarter. Once having received a report on key issues discovered by the external auditor, the Audit Committee should investigate any violations, etc., by appointing external experts at the company's expense or through the Internal Audit Department, and can then request that the CEO of the company take corrective actions, etc. based on the results of the investigation. If necessary (in cases of critical violations of the accounting standards, etc.), the investigation results, results of the company's corrective actions, etc. should be immediately reported to the Securities and Futures Commission and the auditor.

(iv) Filing pre-audit financial statement six weeks prior to regular general shareholders' meeting and consolidated pre-audit financial statement four weeks prior to regular general shareholders' meeting, names of external auditors, and time of filing

We filed the pre-audit financial statement on January 13, 2021, more than six weeks prior to our regular general shareholders' meeting, and the consolidated pre-audit financial statement on January 15, 2021, more than four weeks prior to the regular general shareholders' meeting, to Samil PwC, the external auditor, while filing the full financial statement including footnotes on January 26, 2021.

B) Reasons for Insufficient Regular Communication between Internal Audit Body and External Auditor, and Future Measures to Take Accordingly

As stated above, the internal audit body and external auditor engage in sufficient regular communication to promote efficiency in auditing.

5. Other Major Matters

A) Fulfillment of Social Responsibility and Realization of ESG Management

We make every effort to fulfill our social responsibilities by meeting the expectations of diverse stakeholders such as our investors, customers and partners and members of the local community. In this context, we carry out criticality assessments to identify expectations and arrange priorities, and communicate our directions and relevant progress on important agenda identified through such efforts in our sustainability report and on our company website, to ensure effective communication. In 2018 we summarized the "Sustainable Management Points" suggesting mid- to long-term directions for sustainability from the standpoints of the economy, environment and society, while setting up detailed tasks and goals in this regard. We share details of our progress made against this plan through our annual sustainability report, which also makes public quantitative indexes on such issues as our greenhouse gas emissions.

* LG Electronics Sustainability Report <http://www.lge.co.kr/lgekor/company/sustainability/report.do>

Furthermore, we are working on adjusting the directions of our current sustainability management to meet the goals of "ESG," which has become a market demand recently. The new 2020-2021 sustainability management report including this adjustment will be published online, and the future reports will be regularly updated at least once per year. It is hoped that this will enable faster and more accurate communication with stakeholders.

We define our governance as a "decision-making system of reason and transparency," and set up an "ESG Committee" on April 28, 2021 under the board of directors, consisting of four independent directors and the CEO. Further, the previous Sustainability Management Consultative Group has been expanded into the ESG Consultative Group, which will determine and report the directions of our ESG management activities, their progress, and any relevant issues to the ESG Committee. The results of the committee's determinations and relevant resolutions are also reported to and approved by the BOD.

Our company shares its business philosophies of "creating value for customers" and "respecting human dignity" among its members in accordance with the LG Code of Ethics, promotes autonomous management based on autonomy and responsibility according to the spirit of our Management Charter, respects the free market system that pursues free and fair competition, and pursues the benefits of all interested parties based on mutual trust and cooperation to develop into a world-class company. Especially, as the LG Code of Ethics stipulates its responsibilities toward the country and society, our company will continue its reasonable business development to grow into a more solid company that protects the shareholders' interests and contributes to the nation's prosperity and the growth of society.

* LG Code of Ethics: <http://www.lge.co.kr/lgekor/company/about/ethics.do>

※ Find the LGE regulations related to corporate governance disclosures attached separately as follows:

- Attachment 1. Articles of Incorporation
- Attachment 2. Board of Directors Regulations
- Attachment 3. Management Committee Regulations
- Attachment 4. Audit Committee Regulations
- Attachment 5. Independent Director Candidate Recommendation Committee Regulations
- Attachment 6. ESG Committee Regulations
- Attachment 7. Internal Transactions Committee Regulations
- Attachment 8. Code of Ethics

Category	Key recommendations	Compliance		Detailed descriptions of compliance	Remarks
		○	X		
Shareholders	① Provide general shareholders' meeting convocation notice four weeks prior to meeting*		X	Provided three weeks (22 days) ahead in 2021	Principle 1-1
	② Implement electronic voting*	○		From regular shareholders' meeting in 2021	Principle 1-2
	③ Hold general shareholders' meetings on dates other than main shareholders' meeting dates*	○		Held on March 24, 2021	Principle 1-2
	④ Notify shareholders of dividend policy and dividend payout plan at least once a year**	○		Dividend policy posted in quarterly performance report materials and on website	Principle 1-4
Board of Directors	⑤ Establish and operate CEO succession policy (including emergency appointment plan)	○		CEO succession policy set up, and candidates selected annually for training	Principle 3-2
	⑥ Establish and operate internal control policy	○		Establishing and operating risk management (BOD Regulations), compliance management, internal accounting management, and public disclosure information management policies	Principle 3-3
	⑦ Separate BOD chairperson from CEO	○		Separated since March 2019	Principle 4-1
	⑧ Introduce concentrated voting system		X	-	Principle 4-3
	⑨ Policy to prevent appointing of persons responsible for compromising corporate values or shareholder interests as executives	○		Internal regulations for director appointments, screening for appointments	Principle 4-4
	⑩ No director serving for extended period (more than 6 years)	○		-	Principle 5-1
Audit body	⑪ Provide one or more trainings per year for internal audit body**	○		Training through hiring of external experts	Principle 9-1
	⑫ Establish independent internal audit body (internal audit support team)	○		Independent internal audit team set up	Principle 9-1
	⑬ Presence of accounting or finance expert in internal audit body	○		1 accounting specialist	Principle 9-1
	⑭ Internal audit body holds one or more meetings each quarter without presence of management**	○		Receive reports from and exchange comments with auditors on quarterly basis	Principle 10-2

	⑮ Procedures allowing internal audit body to access important management-related information	○	Specified in Audit Committee Regulations	Principle 9-1
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○ All data herein are as of the date of filing of this report

Items indicated with an "(asterisk)" are based on the regular shareholders' meeting held immediately before the filing of this report.

Items indicated with a "(double asterisk)" involve questions as to compliance with the recommendations within the public disclosure period.