Best Technology, Better Future

LX Semicon 2025-2026 Sustainability Report

LINK FOR NEXT

LX Semicon

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ABOUT THIS REPORT

Learn more about LX Semicon's sustainability management

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Report Overview

LX Semicon has published its Sustainability Report annually since 2022. As the fifth report published by LX Semicon, it is designed to transparently share key ESG activities and performance with stakeholders, including executives and employees, suppliers, local communities, and shareholders.

Reporting Period

This report covers financial performance and ESG activities from January 2025 to December 2025. For quantitative performance data, the most recent three years(2023-2025) are included to enable trend analysis. In addition, certain key activities include content from the first half of 2026.

Reporting Scope

LX Semicon primarily reports its environmental, social, and governance(ESG) performance focusing on LX Semicon's Headquarters and domestic business sites, while partially including the performance of overseas business sites(LX Semicon U.S.A., Inc., LX Semicon China Co., Ltd., LX Semicon Japan Co., Ltd., and LX Semicon Taiwan Co., Ltd.). However, to more accurately reflect the environmental impact of business operations, the company calculated and reported GHG emissions on a company-wide consolidated basis, including overseas subsidiaries. Financial information was prepared on a consolidated basis in accordance with K-IFRS(Korean International Financial Reporting Standards), with any financial data prepared on a separate basis specified in the footnotes. For environmental and social data with collection limitations, the specific reporting scope is indicated in the footnotes.

Reporting Standards

The LX Semicon 2025-2026 Sustainability Report was prepared in accordance with the Global Reporting Initiative(GRI) Standards 2021. LX Semicon aligns its disclosure with the Ten Principles of the United Nations Global Compact(UNGC) across four areas: human rights, labour, environment, and anti-corruption. In addition, the report reflects global initiatives such as the Sustainability Accounting Standards Board(SASB) Standards for the semiconductor industry, the Task Force on Climate-related Financial Disclosures(TCFD) Recommendations, and the UN Sustainable Development Goals(SDGs). Furthermore, to meet global sustainability disclosure requirements, the company integrated the core elements of IFRS S1(General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2(Climate-related Disclosures), issued by the International Sustainability Standards Board(ISSB), into the report's issue structure.

Third-Party Assurance

To enhance the reliability and quality of this report, LX Semicon commissioned third-party assurance from the Korea Management Registrar(KMR), an independent external assurance provider, and completed the verification in accordance with international assurance standards. The verification results are available in the assurance opinion statement in the Appendix of this report.

Interactive PDF User Guide

LX Semicon has published the 2025-2026 Sustainability Report as an interactive PDF, featuring various functions such as direct navigation to related pages within the report and links to relevant web pages.

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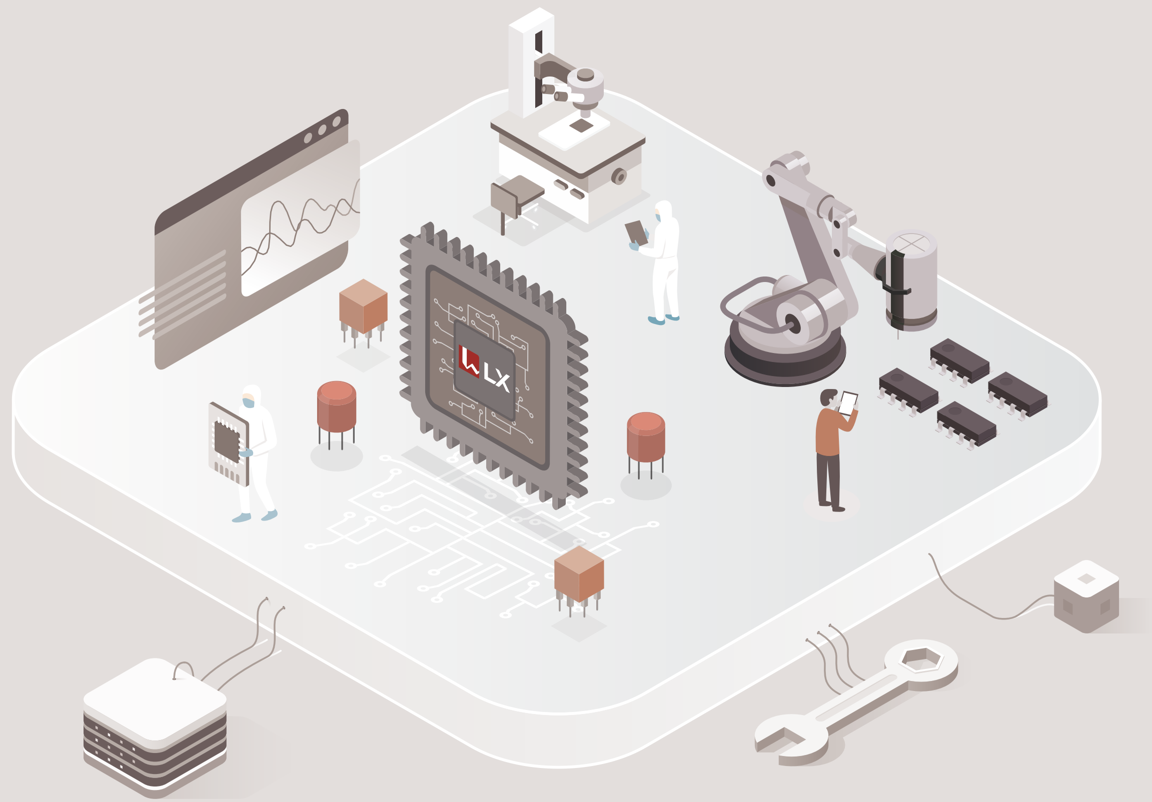
Overview



CEO Message

LX Semicon President & CEO **Yun-tae Lee**

Built on competitiveness forged through technology and trust strengthened through ESG, LX Semicon continues to advance steadily toward a stronger tomorrow.

Dear esteemed stakeholders, Greetings.

In 2025, the internal and external business environments faced growing uncertainty, while industrial structures and markets underwent rapid changes. Despite these conditions, LX Semicon strengthened its technological competitiveness and steadily laid the foundation for sustainable growth.

LX Semicon regards ESG management as a fundamental principle for achieving stable corporate growth and successfully responding to changes in the business environment. By faithfully fulfilling our environmental and social responsibilities across all business operations, we aim to continuously enhance our mid- to long-term corporate value.

From an environmental perspective, we consider the various risks associated with climate change to be a key factor in our management environment, and we are focused on establishing a management system that reflects the characteristics of our business. Greenhouse gas emissions management and energy efficiency improvement are mid- to long-term tasks that we will pursue step by step, after carefully reviewing their feasibility in comprehensive consideration of our overall business operations.

Furthermore, to realize social value, we are refining our policies and continuously improving our workplace so that our employees can perform to their fullest potential in a safe and respected environment. We will lay the foundation for the company and its employees to grow together by actively providing training and growth opportunities for our employees, as well as fostering an organizational culture that prioritizes safety and respects human rights.

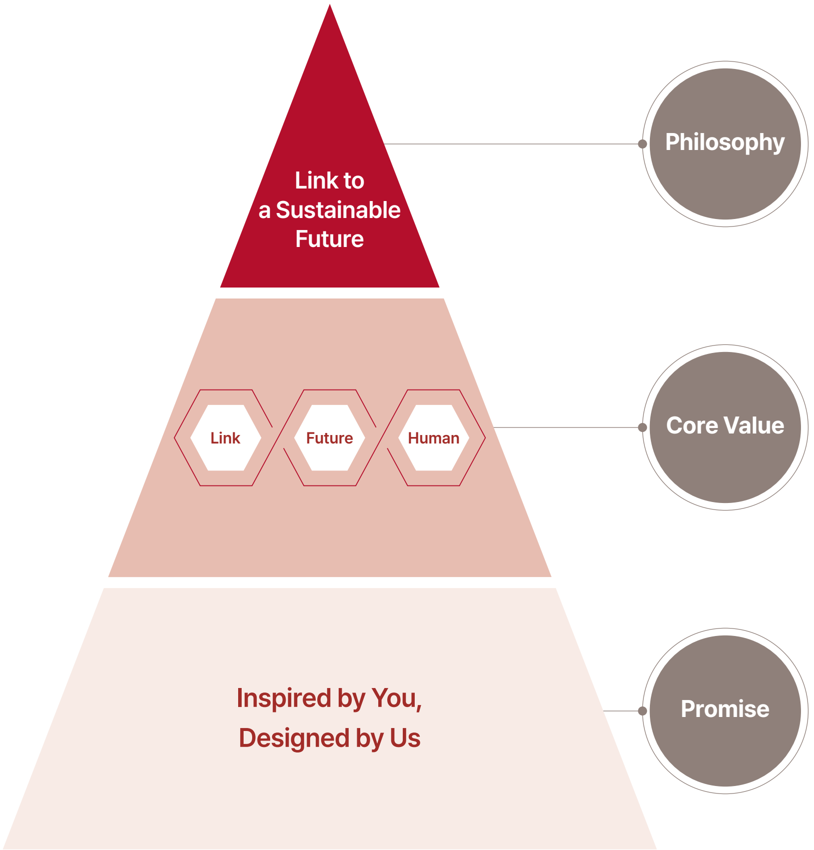
Lastly, we will continue to build responsible partnerships based on trust with our diverse stakeholders, including customers and business partners.

We ask for your continued interest and support as LX Semicon advances forward on its journey toward a sustainable future.

Thank you.

LX Management Philosophy

LX's management philosophy is to be "the link to a sustainable future." LX paves the way for a sustainable tomorrow by linking Korea to the world, integrating cutting-edge technology into daily life, and bridging the gap between present and future generations.



The identity and ultimate goal that encompasses LX's philosophy and spirit

- Furthering the humanitarian legacy of our parent company by linking advanced technology to consumers' lives
- Creating new value by linking to a sustainable future through innovation

The most important values embracing the management principles of LX and the business scope of our subsidiaries

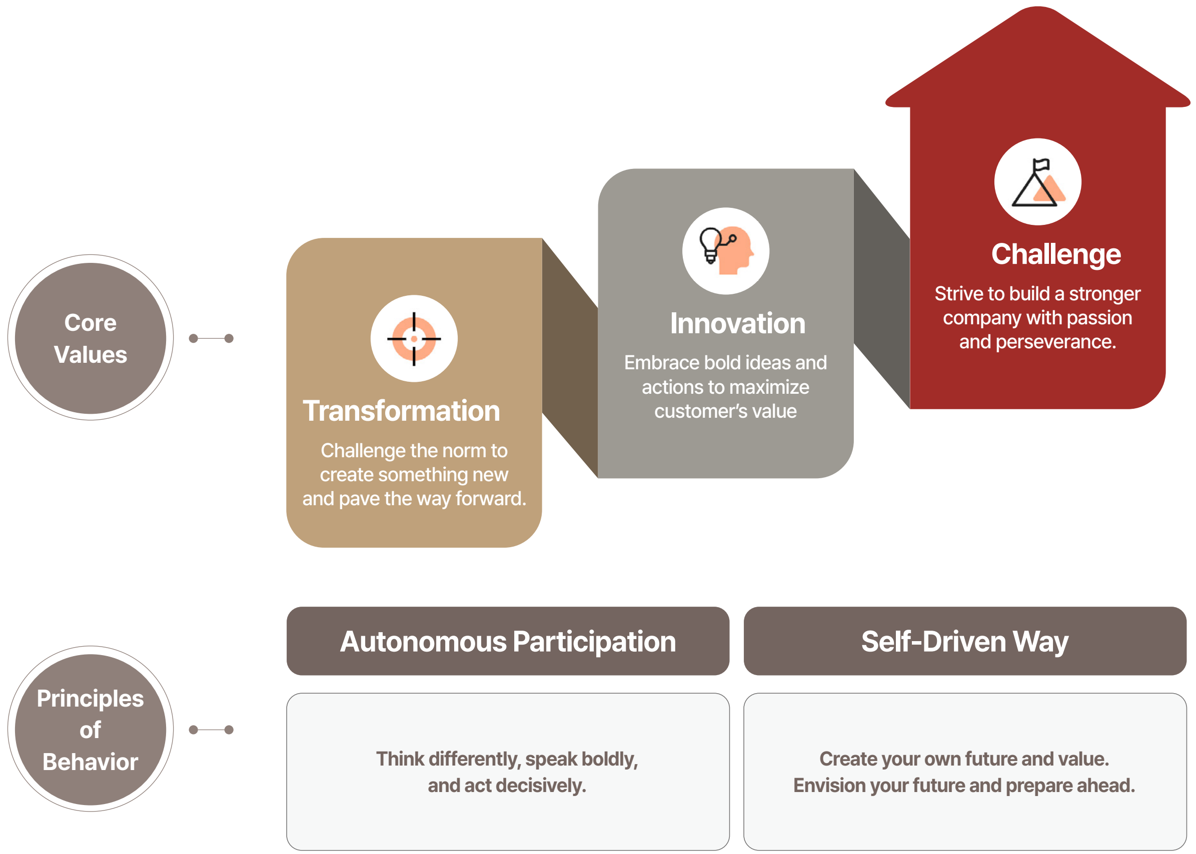
- The core values of LX is 'Link, Future, Human'

The will and attitude to fulfill our philosophy

- Discovering opportunities to create future values that generate value based on the lives of our customers
- Developing solutions that utilize LX's technology and innovation to create solutions that generate future value

LX Semicon Core Values and Principles

LX Semicon embraces Transformation, Innovation, and Challenge as its Core Values to create new value, maximize customer value, and achieve continuous growth. Furthermore, based on autonomous participation and self-driven growth, the company fosters a culture where employees proactively execute tasks and prepare for the future.



Company Overview

About LX Semicon

LX Semicon is South Korea's largest fabless company, with its core business centered on the design and sale of system semiconductors. The company leverages its differentiated technological expertise to strengthen market competitiveness in key product areas, including Display Driver ICs(DDI), Display Processor ICs(T-Con), and Power Management ICs(PMIC). Furthermore, it is diversifying its business portfolio by fostering new businesses such as MCUs and heat dissipation substrates. Additionally, the company is building a foundation for sustainable growth by securing R&D talent and expanding investments in technology.

Company Name	LX Semicon Co., Ltd.
Headquarters Address	222, Techno 2-ro, Yuseong-gu, Daejeon
Business Domain	Semiconductor Design
Main Business	Design, manufacture, and sale of core components for driving display panels
Main Products	Driver IC, Timing Controller(T-Con), and Power Management Integrated Circuits(PMIC)
CEO	Yun-tae Lee
Date of Establishment	November 11, 1999

(As of December 31, 2025)

Shareholder	Number of Shares	Ratio
LX Holdings*	5,380,524	33.08%
National Pension Service	898,309	5.52%
Vanguard	407,020	2.50%
UBS	313,028	1.92%
BlackRock	196,783	1.21%

* Largest Shareholder

LX Semicon History

Date	Milestones
2025.12	Renewed the Family-Friendly Certification
2025.12	Achieved an overall 'A' rating from KCGS(Korea Institute of Corporate Governance and Sustainability)
2025.11	Acquired IATF 16949 certification
2025.04	Commenced initial mass production of heat dissipation substrates
2024.11	Selected as one of the Top 100 ESG Best Companies by Sustinvest
2023.10	Won the 12th Intellectual Property Rights Award
2023.01	Received AEO(Authorized Economic Operator) certification for excellence in export and import safety management
2022.12	Certified as a Family-Friendly Company
2022.12	Selected as an exemplary company in ESG management by the KCGS(Korea Institute of Corporate Governance and Sustainability
2022.12	Won the 'USD 1 Billion Export Tower' on Trade Day(Ministry of Trade, Industry and Energy)
2022.11	Transferred listing to the KOSPI market(KOSDAQ → KOSPI)
2022.08	Selected as the Korean Best Job company in 2022 by the Ministry of Employment and Labor
2021.07	Changed the company name to LX Semicon
2021.05	Launched LX Holdings and incorporated it as an affiliate company
2020.12	Reached KRW 1 trillion in sales
2018.06	Won the 10th KOSDAQ Award(Best Job Creation Company Award)
2015.07	Acquired a part of LG Electronics' System IC business division
2015.04	Acquired part of Lusem's System IC division
2014.07	Joined the LG affiliated group
2010.06	Listed on the KOSDAQ
2008.11	Developed CEDS interface technology for ultra-high-speed, ultra-thin, and high-definition next-generation TVs
2006.05	Developed ultra-low power IP and T-CON
2002.09	Developed MD Architecture for LCD and SD-IC
1999.11	Established the company

Company Overview

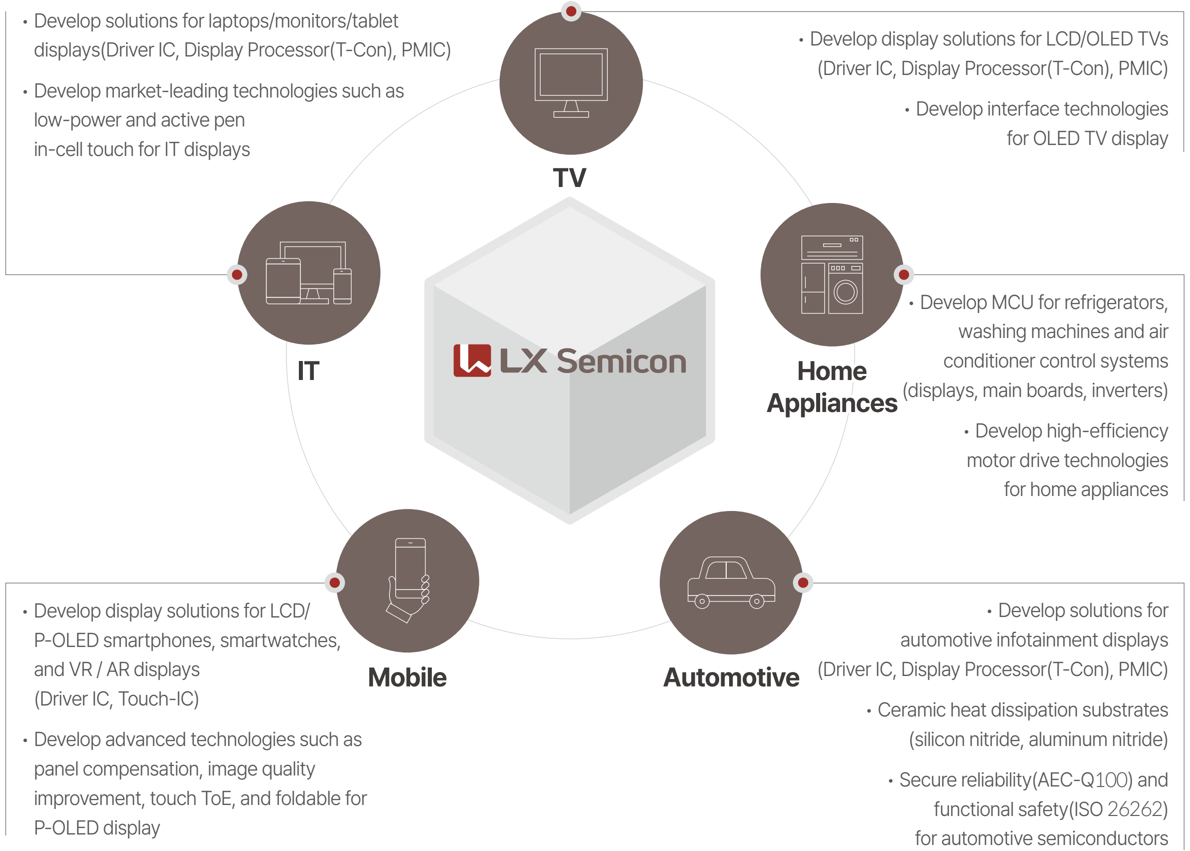
LX Semicon Global Network

To strengthen its competitiveness, LX Semicon is actively advancing its global business by expanding its global network and exploring overseas markets. Currently, the company operates customized businesses by providing differentiated products and services to local customers at 14 locations across six countries, including USA, China, Japan, Taiwan, and South Korea.

Business Overview

Business Areas

Since its establishment in 1999, LX Semicon has grown steadily, expanding its product portfolio from display semiconductors for the IT sector into various fields, including TVs, mobile devices, home appliances, and automotive applications. The company is committed to leading the future display market by securing technological advantages through advanced research and development(R&D).



Integrated Risk Management

LX Semicon recognizes the various environmental and social risks and opportunities present across its entire value chain, spanning upstream, internal operations, and downstream activities. Accordingly, the company identifies business, financial, and ESG-related risks and opportunities throughout the value chain, and evaluates, addresses, and monitors them in accordance with its enterprise-wide risk management process. Material issues are reported to the BOD(Board of Directors) and undergo a resolution process when necessary. Furthermore, the company continuously updates its response plans for each managed risk category to prevent incidents that could cause severe impacts, such as reputational damage or financial loss, and to respond swiftly and effectively in the event of a crisis. Through integrated risk management, LX Semicon is committed to managing non-financial risks and identifying opportunities within its business operations, thereby continuously enhancing the value delivered to internal and external stakeholders.

Risk Management Process

Risk Factor Identification

- Identification of potential risks

Preventive Measures

- Analyze identified risks and implement preventive measures

Response to Risks

- Discuss identified risks, followed by decision making and development of countermeasures

Recovery and recurrence prevention efforts

- Identify root causes of incidents and accidents and implement corrective actions
- Plan and implement regular training programs

Monitoring

- Conduct continuous monitoring for emerging issues

ESG Risks and Opportunities

Value Chain		Risks and Opportunities		Preventive Measures
Upstream	Raw Material Extraction	Risk	Human rights and environmental risks in the supply chain, and stricter regulations on the management of hazardous substances and conflict minerals	• Response to environmental regulations • Supply chain sustainability management
	Technology Development and Design	Risk	Increasing customer demand for renewable energy use and low-carbon, eco-friendly product design	• Calculation and reduction of GHG emissions and product carbon footprints
		Opportunity	Expanding market share by meeting customer demands	
	Manufacturing	Risk	Increasing social demands regarding labour, human rights and occupational safety and health regulations, such as the Serious Accidents Punishment Act	• Occupational safety and health management
Downstream	Distribution and Transportation	Risk	Energy consumption and GHG emissions during product transportation	• Calculation of GHG emissions and establishment of reduction strategies
	Product Use	Risk	Requirements for hazardous substance management in compliance with REACH and RoHS, and product lifecycle management	• Quality management and hazardous substance management
	Disposal	Risk	Hindrance to efficient resource circulation due to the landfilling and incineration of electronic devices	• Resource circulation activities
		Opportunity	Improving operational efficiency by promoting a circular system for process scrap and waste resources	

ESG Management

ESG Management Framework

Vision and Strategy

LX Semicon recognizes ESG management as the foundation for innovation essential to maintaining industrial competitiveness. Based on this understanding, the company has established its ESG vision to realize a better future through technological excellence and ESG management. To implement this vision, LX Semicon has defined three strategic ESG pillars: "Think Green," "Winning Together," and "Be Trustworthy," which guide its ESG initiatives.

ESG Strategic Framework

ESG Vision

Best Technology, Better Future

LX Semicon strives for a better future built on technological excellence

	Think Green	Winning Together	Be Trustworthy
Strategic Direction	Minimizing Environmental Impact We focus on protecting the environment with stakeholders for a sustainable future.	Sharing Growth We share our growth and success by promoting the value of mutual growth.	Transparent Business Practices We build trust with stakeholders based on transparent governance.
Management Strategy	Enhance environmental values for future generations	Expanding inclusive value for all	Create sustainable ESG governance
Strategic Tasks	Participate in decarbonization initiatives and reduction plans	Establish an ESG risk management system for the supply chain	Implement company-wide ESG strategies and systems
	Strengthen environmental performance management system and data reliability	Promote competency development, diversity and inclusion in the workplace	Enhance ESG disclosure practices
	Expand eco-friendly product design	Expand social contribution in connection with local communities and industry	Foster an ESG-driven corporate culture

ESG Management Framework

ESG Governance

Board of Directors and Committees

LX Semicon has established the ESG Committee under the BOD(Board of Directors) to effectively manage various ESG risks that directly and indirectly impact its business operations and has built and operates an ESG risk management system. The ESG Committee is responsible for the comprehensive management and oversight of ESG-related matters, including ESG strategy, investment, reporting, and evaluation. In addition, key agenda items related to ESG and related-party transactions are submitted to the Board of Directors for deliberation and approval. The ESG Committee reviews ESG-related issues, monitors the company-wide implementation of ESG management and goal achievement, reviews ESG policies, strategies, and annual plans, and holds the authority to review and approve ESG-related investments and activities.

Category	Role
Board of Directors	• Highest decision-making body • Discuss key issues of the ESG Committee
ESG Committee	• Review and approve ESG strategies, plans, and performance • Review and approve related-party transactions
CEO	• Company-wide ESG strategy and risk management
ESG Department	• Establishment and reporting of ESG strategies and improvement plans • Embedding ESG Management and Identifying improvement opportunities • ESG Performance Disclosure and External Assessment Response
Relevant Departments	• Implementation of ESG Improvement Initiatives • Support for ESG Disclosure and response to evaluations

Items Reported to and Approved by the Board of Directors / ESG Committee

Category	Meeting No.		Date	Agenda Items
Board of Directors	7th	2025.11.04	Reported	Report on the Results of the 3rd ESG Committee Meeting
	6th	2025.09.18	Reported	Report on the Results of the 2nd ESG Committee Meeting
	4th	2025.04.25	Reported	Report on the Results of the 1st ESG Committee Meeting
	3rd	2025.03.20	Approved	Approval of the Appointment of ESG Committee Members
	1st	2025.01.22	Approved	Approval of the Annual Occupational Safety and Health Plan
ESG Committee	3rd	2025.10.28	Reported	Report on the Status and Plans of Key ESG Initiatives
				Report on the Status of Carbon Neutrality Implementation
				Report on 2025 Related-Party Transactions
			Approved	Approval of the Total Transaction Limit with Related Parties
				Approval of Self-Dealing Transactions with Major Shareholders, etc.
				Approval of the LX Trademark License Agreement
	2nd	2025.09.18	Approved	Approval of Self-Dealing and Other Transactions with Affiliates
	1st	2025.04.18	Reported	Report on the Status of Key ESG Initiatives in 2025
			Reported	Report on the Status of Carbon Neutrality Implementation
			Approved	Approval of the Appointment of a New ESG Committee Chairperson

Double Materiality Assessment

Double Materiality Assessment

LX Semicon conducts an annual double materiality assessment to embed ESG management as a core component of its mid- to long-term business strategy. Through this process, the company identifies material sustainability topics by considering both its impact on the environment and society and the financial impact of environmental and social factors on the business. These topics are then managed in alignment with our ESG strategy. The assessment was guided by the materiality assessment guidelines and issue pool of the ESRS(the European Sustainability Reporting Standards), and was designed to identify industry-specific ESG risks by reflecting the company's business characteristics. Furthermore, LX Semicon ensured the objectivity and reliability of the assessment by gathering feedback from various stakeholders and utilizing external data, including industry initiatives, peer benchmarking, and value chain analysis.

LX Semicon selected four material issues based on a comprehensive assessment of financial and impact materiality, and reported the assessment results and key material factors to the ESG Committee under the BOD(Board of Directors). Furthermore, the company established a monitoring and response system for high-priority risks and continuously manages them in alignment with its ESG strategy.

Double Materiality Assessment Process

1. Understanding the Business

1.1 ESG Context and Issue Analysis: Business Report, previous year's material ESG issues, ESG Committee agendas, etc.

1.2 Value Chain Analysis Business activities across own operations, upstream, and downstream

1.3 International Standards and Trend Analysis SASB(Sustainability Accounting Standards Board), MSCI, material issues of peers, customer inquiries, and investor questions

1.4 Selection of LX Semicon Sustainability Topics

2. Identification of Impacts, Risks, and Opportunities

2.1 Identify Environmental and Social Impacts

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2.2 Identify Financial Risks and Opportunities

3. Assessment of Impacts, Risks, and Opportunities

Review of Issue Materiality Based on Feedback from Key Stakeholders, Including Employees, Investors, and ESG Experts

3.1 Environmental and Social Materiality Assessment
① Likelihood
② Severity
- Scale: Scale of the impact
- Scope: Scope of the impact(stakeholder groups or geographic scope)
- Remediability: Difficulty of remediation following the impact

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3.2 Financial Materiality Assessment
① Likelihood
② Severity
- Scale: Magnitude of potential impact on the company's revenue, cash flow, and profitability

4. Selection of Material Issues

4.1 Material Impacts, Risks, and Opportunities

4.2 Select Material Issues

5. Reporting and Disclosure

5.1 Report to the ESG Committee Select priority management topics and establish management plans and policies

5.2 Material Issue Disclosure Disclose key annual performances through the report

Double Materiality Assessment

Material Issues Identified

Four material issues were selected through the double materiality assessment, consistent with the previous year's results. LX Semicon will establish response strategies and targets for each material issue and periodically monitor implementation status and performance. Furthermore, the company will regularly review its material issue management system by considering changes in the external environment, regulatory trends, and stakeholder demands, and reflect the results in its ESG strategy and related management activities.

Material Issues	Environmental and Social Impacts	Impact Type	Severity*	Financial Impact	Risk/Opportunity	Severity*	Response Strategies and Targets	Page
Working Conditions of Own Workers	• Prevent excessive employee burnout and improve physical and mental health by enhancing working conditions and environments, increase employee job satisfaction through appropriate compensation.	Positive/ Potential	●●◐	• Potential revenue decline due to delayed technology development and weakened product competitiveness if core R&D personnel are not secured • Potential cost increases due to rising labour costs driven by intensified competition for talent and enhanced performance-based compensation	Risk	●●◐	• Expand flexible work hours and establish a work-life balance (through Family Day and encouraged vacation systems) • Advance the performance-based compensation system and enhance the welfare point system • Enhance talent development programs to secure core R&D personnel (through mentoring and training support) • Expand health management programs for executives and employees (health checkups and medical expense support)	29p.-32p.
Climate Change and Energy	• GHG emissions from the production, processing, and manufacturing of products and raw materials may exacerbate physical risks, including climate change impacts, frequent extreme weather events, and sea-level rise.	Negative/ Actual	●◐○	• Potential increase in manufacturing costs due to rising cost of sales, including raw material and outsourcing costs	Risk	●●◐	• Join the K-RE100 initiative and expand the transition to renewable energy • Expand solar power generation facilities (install a 100kW system at the Daejeon campus) • Improve energy efficiency based on the energy management system(ISO 50001) • Gradually transition to eco-friendly vehicles and establish EV charging infrastructure	23p.-27p.
Information Security	• Design and IP leaks may cause economic losses for customers due to delayed product deliveries	Negative/ Potential	●◐○	• Incurrence of costs, including damages, fines, and legal fees, in the event of core technology and customer information leaks • Security incidents or inadequate information security management may result in reduced or terminated contracts, failure to win new business, and consequent revenue losses • System outages and incident response and recovery efforts may disrupt operations and require additional investments in information security	Risk	●●◐	• Strengthen information security governance(appoint a CISO and CPO) • Enhance the Information Security Management System(ISMS) based on ISO 27001 certification • Strengthen the protection system for National Core Technology (OLED DDI design technology) • Regularize security training and anti-phishing drills for executives and employees • Conduct security audits on suppliers and strengthen supply chain security	43p.-45p.
Occupational Safety and Health	• Potential physical injuries and health issues to workers in the event of occupational accidents during operations, with severe cases potentially resulting in loss of workforce capacity. • Safety accidents increase workers' anxiety and cause increased work stress and decreased motivation	Negative/ Potential	●◐○	• Accidents involving chemicals or hazardous substances may increase direct operating costs, including medical expenses, workers' compensation, and legal settlement payments • Such incidents may cause operational disruptions, resulting in revenue losses and penalties associated with delivery delays • Non-compliance with occupational health and safety regulations may lead to fines, administrative sanctions, or criminal liabilities, increasing financial and legal risks • Insufficient management of employee health and safety may adversely affect corporate reputation and reduce competitiveness in attracting and retaining talent	Risk	●◐○	• Strengthen safety management based on the Occupational Health and Safety Management System(ISO 45001). • Conduct regular risk assessments and safety inspections. • Enhance occupational health and safety training programs. • Conduct emergency response scenario drills and further advance emergency response systems. • Operate musculoskeletal disorder prevention programs.	36p.-39p.

※ Impact was assessed on a three-level scale by comprehensively considering both the likelihood of occurrence and the level of impact.

Stakeholder Communication

Communication Channels and Stakeholder Engagement

LX Semicon gathers key feedback by communicating with various internal and external stakeholders, including shareholders, investors, customers, executives and employees, and local communities. Furthermore, the company utilizes stakeholder-specific communication channels to identify major issues and demands, and transparently shares its responses and performance.

Key Issues

- Customer relationship management
- Enhancing product quality

Communication Channel

- LX Semicon Blog (Frequent, PR)
- LX Semicon Newsroom(Frequent, PR)
- Reports on complaints related to products/services (Constant, Quality)

Key Issues

- ESG issues
- Financial information
- Board of Directors composition and shareholder status

Communication Channel

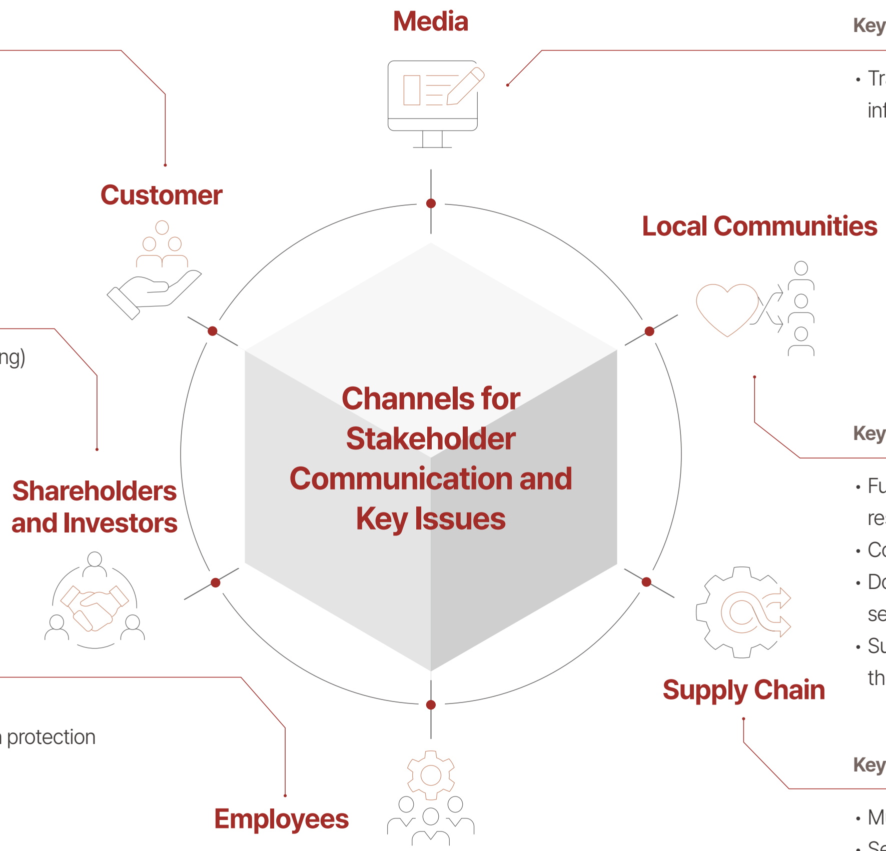
- General shareholders' meeting(Regular, Finance&Accounting)
- Conference calls(Frequent, Finance&Accounting)
- Business/OperationReport (Quarter, Semi-annual, Annual, Finance&Accounting)
- Corporate Governance Report (Annual, Finance&Accounting)
- Sustainability Report (Annual, Government Relations&ESG)

Key Issues

- Talent recruitment
- Development of employees' competencies
- Parental leave
- Information security awareness management
- Grievance handling

Communication Channel

- In-house online bulletinboard(Frequent, HR)
- Training on information security and personal information protection (Regular, Information Security)
- Employee surveys(Regular, HR)
- Employee newsletter(Regular, Corporate Culture)
- In-house bulletinboard, Ethics Hotline(Constant, Ethics Bureau)
- Edu-Madang, LX Academy(Regular, HR Development) for employees



Key Issues

- Transparent disclosure of information

Communication Channel

- Website(Frequent, PR)
- Social media(Youtube, Instagram, Facebook, etc.) (Frequent, PR)
- Regulatory Filings(Frequent, Finance& Accounting)
- Corporate Governance Report (Annual, Finance& Accounting)
- Sustainability Report(Annual, Government Relations &ESG)
- Press releases(Frequent, PR)

Key Issues

- Fulfilling corporate social responsibility
- Contribution to communities
- Donation and volunteer service
- Supporting the growth of the future generation

Communication Channel

- Website(Frequent,PR)
- In-house online bulletin board(Frequent, Corporate Culture)
- Sustainability Report(Annual, Government Relations&ESG)
- Press releases(Frequent, PR)

Key Issues

- Mutual growth
- Selecting suppliers
- Risk management and evaluation for suppliers
- Suppliers' ESG issues

Communication Channel

- Supplier credit evaluation(Annual, Procurement)
- Evaluation of suppliers' competencies (Semi-annual, Procurement)
- Supplier ESG assessment and due diligence(Semi-annual, Government Relations & ESG)

ESG Performance

Environmental

Environmental Management

Governance

Environmental Management Governance

Led by the Board of Directors and the ESG Committee, LX Semicon reviews and approves major agenda items related to environmental management and manages environmental performance. The Safety and Environment Team, a dedicated department, oversees the planning, implementation, and operation of environmental management. In collaboration with relevant departments across the company, it establishes and oversees goals and action plans for environmental risk management and response.

Organizational Structure

Category	Role
Board of Directors	• Highest decision-making body for environmental issues • Manage and supervise overall environmental management • Conduct final review and approval of environmental management policies and strategies
ESG Committee	• Review major agenda items related to environmental management • Manage and oversee the identification of environmental risks and response measures • Report the implementation status of environmental management and major issues to the Board of Directors
CEO	• Assume overall responsibility for advancing environmental management • Manage the implementation status of environmental management policies and targets
Safety and Environment Team	• Establish environmental management action plans and manage operations • Oversee environmental risk management and response activities • Ensure compliance with environmental management policies and support environmental management activities by sector • Respond to environmental laws and regulations

KPIs Linked to Executive Compensation

To strengthen the establishment and operation of eco-friendly business sites, LX Semicon incorporates environmentally sustainable business site operations into the key performance indicators of the head of environmental management. These KPIs are linked to performance evaluations and compensation. LX Semicon manages the environmental performance of its business sites by continuously monitoring pollutant and waste emissions and advancing reduction activities.

KPI Owner	Performance Indicators	Indicator Weight
Head of Environmental Management	• Environmentally Sustainable Business Site Operations	5%

Strategy

Environmental Management System Operation

LX Semicon identifies environmental impacts through its ISO 14001-certified environmental management system and advances its environmental management strategy based on a cyclical structure of goal setting, implementation, review, and improvement. The company sets compliance with environmental regulations, enhancement of resource efficiency, and reduction of environmental risks as its key strategic directions, and manages waste and water resources management, energy use management, and pollution prevention activities as key tasks within the environmental management system.

Environmental Management Policy

LX Semicon establishes an environmental management policy based on its environmental management guidelines and reflects it across overall business operations. The environmental management policy includes implementation guidelines for biodiversity conservation, chemical and waste management, energy use and GHG emissions management, air pollutant reduction, and water use and water resources management.

Waste Management

LX Semicon's fundamental approach to waste management focuses on properly managing waste generated during business operations and minimizing environmental impacts. To this end, the company established waste discharge and management guidelines in 2025, and currently focuses on waste segregation, expanding recycling, and ensuring lawful outsourced disposal. LX Semicon classifies waste into general waste and hazardous waste, managing them according to segregation principles based on type and characteristics. Notably, waste generated from semiconductor processes is recovered to extract and recycle gold, while PCB and chips from design and testing processes are segregated using dedicated collection bins. In addition, LX Semicon regularly monitors and manages the waste disposal practices of recycling companies handling copper and copper plate waste from the Siheung Campus through on-site inspections and follow-up evaluations. Although LX Semicon is not subject to the Ministry of Environment's Resource Circulation Performance Management System, the company voluntarily monitor our waste generation and disposal status to strengthen waste management, while exploring improvement measures to reduce waste and expand recycling.

Water Resources Management

Recognizing water as a critical shared resource, LX Semicon actively manages the environmental impact of its water consumption. The company has installed and operates wastewater treatment facilities, ensuring that water intake and usage comply with relevant laws and internal guidelines for managing water discharge and prevention facilities. To minimize its environmental footprint, LX Semicon regularly monitors water consumption, maintains daily operation logs, and operates an emergency response system. These efforts are supported by an environmental management system that evaluates water use efficiency and mitigates related environmental risks. All water required for research and development(R&D) and business operations at domestic business sites is sourced entirely from municipal water, and no groundwater is used.

Environmental Management

Risk Management

Environmental Risk Management

LX Semicon proactively identifies and evaluates environmental risks that may arise across its design, products, services, and operational activities, managing them through control and monitoring. The scope of environmental risk management includes environmental laws and global regulations(e.g., RoHS, REACH), which are managed through the ISO 14001-certified environmental management system.

Environmental Impact Assessment

LX Semicon conducts environmental impact assessments to manage environmental risks and impacts that may arise throughout the entire process, from the design to the delivery of products and services. These assessments cover major business activities related to products and services, identifying and evaluating risks with a focus on areas with significant environmental impacts, such as chemical management, air and soil pollution, and waste generation. Furthermore, the company reviews the impact of compliance with environmental laws and regulations on business operations and reflects this in its environmental risk prevention and reduction activities.

Environmental Impact Assessment Process

Category	Details
1. Selection of target environmental aspects*	Identify potential environmental impact factors across business activities and select environmental aspects for management
2. Identification of environmental aspects	Identify environmental impact factors such as resource use, pollutant emissions, and waste generation
3. Environmental impact assessment	Derive major environmental risks by evaluating the scope of impact, likelihood of occurrence, and materiality
4. Establishment of improvement plans	Establish environmental impact reduction and risk management plans based on assessment results
5. Execution of improvement activities	Perform improvement activities such as operational management, training, and process improvement according to the improvement plans
6. Verification of improvement effectiveness	Review the results of improvement activities and goal achievement, and verify environmental performance

* Environmental aspects: Activities that may cause environmental impacts, such as electricity and city gas consumption, wastewater and waste generation, and chemical use

Hazardous Substance Management

To ensure the environmental safety of products and meet domestic and international environmental regulations as well as customer requirements, LX Semicon implements management procedures for all processes and raw materials that comply with these standards. The company monitors environmental compliance throughout the entire product lifecycle, from design to mass production and shipping and restricts product approval if requirements are not met. Furthermore, the company conducts regular quality audits on its suppliers to verify compliance with hazardous substance standards, requesting necessary corrective actions based on the audit results and verifying their implementation.

Product Hazardous Substance Assessment Process

Selecting targets for identifying environmental aspects	Reviewing regulatory applicability (upon updates)	Registering regulations (revising management standards)	Application and Management	Providing Information to Stakeholders
RoHS, REACH, etc. Continuous monitoring	Changes in restricted substance management standards and SVHC Application upon the addition of target substances	Changes in product environmental management standards	Reviewing supporting documents and test reports when applying changes	Responding Appropriately to Customer and Stakeholder Requirements

MSDS Management

LX Semicon manages the hazards and risks of chemicals handled at the business sites based on Material Safety Data Sheets(MSDS). The company also maintains up-to-date information in accordance with relevant regulations and international standards, including REACH(Registration, Evaluation, Authorization and Restriction of Chemicals) and RoHS(Restriction of Hazardous Substances). By designating lab managers at each campus, LX Semicon regularly conducts MSDS training on chemical properties and risks, and keeps these materials on-site to ensure they are readily accessible to workers at all times. Furthermore, to comply with environmental management standards required by customers, the company requests environmental hazardous substance reports from suppliers when necessary, proactively managing product compliance with hazardous substance standards.

Environmental Management

Natural Capital Risk Management

To establish a structural response for managing natural capital and biodiversity, LX Semicon conducted a comprehensive analysis of nature-related dependencies, impacts, risks, and opportunities across three major domestic business sites, based on the LEAP* approach proposed by the TNFD(Taskforce on Nature-related Financial Disclosures).

Locate	Evaluate	Assess	Prepare
Identifying Nature Risk-Sensitive Areas and Business Sites	**Determine natural capital dependencies and impacts based on industry characteristics**	**Identify natural capital risks and opportunities and analyze their magnitude**	**Establish response strategies to mitigate impacts on natural capital**
• Analyze proximity to key ecosystems and species • Identify business sites in natural resource-sensitive locations Analysis tools and databases BRF[1], KBA[2], WDPA[3], IUCN Red List[4]	• Identify economic activities across the value chain • Analyze natural capital dependencies and impacts by economic activity Analysis tools and databases ISIC Rev. 5[5], ENCORE[6]	• Derive key factors based on TNFD[7] risks and opportunities, as well as the results of the company's dependency and impact analysis	• Set key natural capital management targets and manage implementation status • Advance biodiversity conservation activities

* LEAP: Locate(Locate interfaces with nature), Evaluate(Evaluate dependencies and impacts), Assess(Assess risks and opportunities), Prepare(Prepare to respond and report)

Identifying Interfaces with Nature(Locate)

LX Semicon identified the climate conditions and ecological characteristics of its three major domestic business sites based on their locations, and analyzed their distance to adjacent sensitive areas as well as data on endangered species. The Daejeon Headquarters, which primarily operates the fabless business, is not located in a designated Key Biodiversity Area(KBA). However, Yangjae and the Siheung Campus are situated adjacent to the Han River and Lake Sihwa, respectively. Furthermore, the company cross-referenced data on endangered species found within a 10km radius of its business sites using the IUCN(International Union for Conservation of Nature) Red List. This analysis was conducted to review potential natural capital risks based on public databases, rather than to confirm the actual presence of these species within the business sites or adjacent waters.

Review Results of Major Endangered Species within Business Site Radius*

Business Sites	Critically Endangered(CR)	Endangered (EN)	Vulnerable (VU)	Key Endangered Species
Daejeon Campus(Headquarters)	0	7	12	Japanese Eel, Great Knot, Far Eastern Curlew, Oriental Stork
Siheung Campus	1	13	22	Hawksbill Sea Turtle, North Pacific Right Whale
Yangjae Campus	0	7	13	Japanese Grenadier Anchovy, Japanese Eel, Mountain Woods Trillium

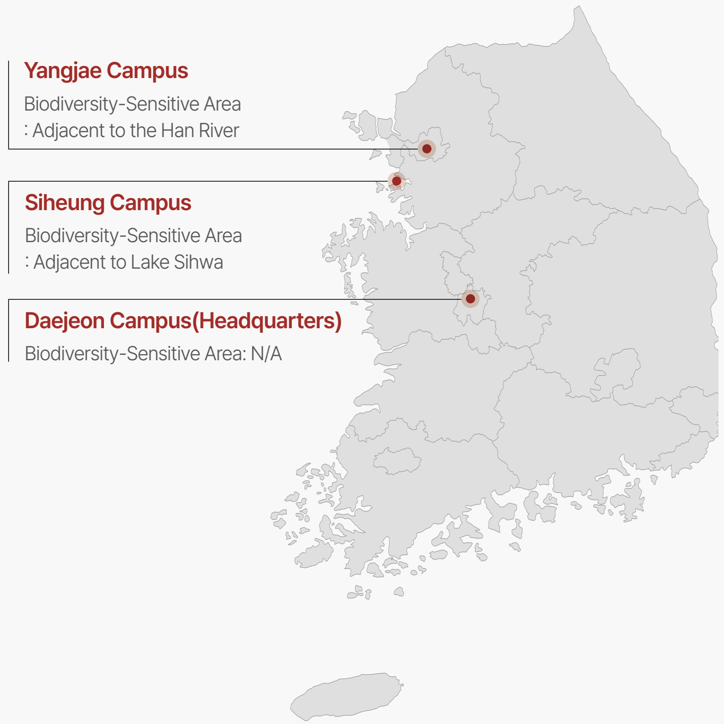
* Key identified species are based on a review of potential distribution and occurrence within the radius of business sites using public databases, and do not imply confirmed habitation within the actual business sites or adjacent waters.

Evaluate Dependencies and Impacts

LX Semicon classified its core business activities, display semiconductor design and the development and manufacturing of key materials such as heat dissipation substrates under the electronic component and board manufacturing industry of ISIC Rev.5, and analyzed its natural capital dependencies and potential impacts using the ENCORE(Exploring Natural Capital Opportunities, Risks and Exposure) tool.

The analysis revealed that LX Semicon's key business activities have a certain level of correlation with ecosystem services provided by nature, such as water supply, water purification, and flood and storm impact mitigation. This indicates that business site operations and the value chain may be affected by changes in the natural environment. Meanwhile, potential impacts on natural capital were identified as the possibility of ecosystem disturbance caused by hazardous pollutant emissions, as well as noise and light pollution.

Results of Biodiversity-Sensitive Area Analysis by Business Site



Reviewed biodiversity sensitivity by business site using the BRF, in conjunction with public standards and databases such as KBA and WDPA.

1) BRF(Biodiversity Risk Filter): WWF(World Wide Fund for Nature) biodiversity risk screening tool

2) KBA(Key Biodiversity Areas): Key biodiversity areas

3) WDPA(World Database on Protected Areas): World protected areas database

4) IUCN Red List(IUCN Red List of Threatened Species): IUCN list of threatened species

5) ISIC Rev. 5(International Standard Industrial Classification of All Economic Activities, Revision 5): International Standard Industrial Classification Revision 5

6) ENCORE(Exploring Natural Capital Opportunities, Risks and Exposure): Natural capital dependency and impact analysis tool

7) Based on TNFD Additional Sector Guidance

Environmental Management

Risk and Opportunity Analysis(Assess)

Based on the identified natural capital dependencies and potential impacts, LX Semicon specified its business impacts and natural capital-related risk and opportunity factors by referring to the risk and opportunity list in the TNFD Sector Guidance. Furthermore, to manage negative impacts on natural capital, the company established guidelines for managing waste, pollutants, and water resources at its business sites, and is building a foundation to systematically manage related risks.

Risk and Opportunity Analysis Results

Natural Capital Topic	Risk Category			Key Qualitative Risk/Opportunity Assessment	Impact Level*	Response Measures
Pollutants	Physical	Chronic	Risk	Pollutants emitted from business sites may cause air, soil, and water pollution, leading to ecosystem degradation and increased cleanup and restoration costs	High	• Prevent pollutant leaks, reduce the use of hazardous chemicals, and expand the use of alternatives
Water Resources	Physical	Acute	Risk	Increased damage from extreme weather events such as cyclones, droughts, and floods may lead to asset impairment, higher infrastructure restoration costs, and increased capital expenditures(CAPEX) for disaster adaptation	Medium	• Enhance water disaster response infrastructure and maintain emergency operations
Water Resources	Transition	Regulation	Risk	Potential operational risks from increased investment costs for wastewater treatment facilities due to stricter water quality regulations, and disruptions in securing industrial water during local water shortages	Medium	• Establish and monitor water supply system • Reduce water consumption and secure stable water sources by utilizing recycled water
Biodiversity	Physical	Chronic	Risk Opportunity	Potential ecosystem disturbances, changes in species behavior, and abnormal proliferation of specific pests caused by noise and light pollution Potential to reduce energy consumption and mitigate reputation risks through biodiversity management activities, such as adopting smart lighting	Medium	• Implement biodiversity management(inspect pest control processes, assess the impact of night lighting, and review lighting reduction and species conservation activities)

* Impact Level refers to the natural capital impact rating in the ENCORE analysis. Rather than being calculated separately during the 'Assess' stage, this rating integrates the analysis results from the 'Evaluate' stage into the risk and opportunity assessment.

Environmental Management

Metrics & Target

Waste Generation and Treatment*

Category		Unit	2023	2024	2025
Total		Tons	52	97	371
General Waste	Subtotal	Tons	52	60	143
	Incineration	Tons	16	16	17
	Recycling	Tons	36	44	126
Designated Waste	Subtotal	Tons	0	37	228
	Incineration	Tons	0	0	4
	Recycling	Tons	0	37	156
	Others**	Tons	0	0	68
Designated Waste Recycling Rate		%	0	100	69

* Reporting sites: Domestic(Daejeon, Siheung, and Yangjae Campus). For leased sites, calculations were based on the leased area, and figures have been updated due to the expanded calculation scope.
** Wastewater treatment - Liquid waste(other physicochemical treatment)

Water Withdrawal*

Category		Unit	2023	2024	2025
Water Inflow by Source	Municipal Water	m^3	85,811	86,076	85,177
	Ground Water	m^3	N/A	N/A	N/A
Wastewater Discharge**		m^3	N/A	N/A	20,732
Proportion of Water Withdrawal in Areas with High or Extremely High Water Stress***		%	8.4	8.9	8.1

* Reporting sites: Domestic(Daejeon, Siheung, Yangjae Campus, and former Yangjae Campus). For leased sites, calculations were based on the leased area, and figures have been updated due to the expanded calculation scope.
** Legally treated through an in-house wastewater treatment facility at the Siheung Campus.
*** Water stress levels classified according to the WRI(World Resources Institute) Aqueduct Water Risk Atlas. The Daejeon campus was identified as a site in a "High" water stress region, and there are no sites in "Extremely High" water stress regions.

Status of Environmental Regulatory Violations

Category	Unit	2023	2024	2025
Number of Environmental Law Violations*	cases	0	0	0

* Number of environmental law violations calculated for business sites on a consolidated basis.

Environmental Management Training for Executives and Employees

LX Semicon conducts in-person environmental training for executives and employees to enhance the understanding of environmental regulations and ensure compliance with relevant laws. During the environmental awareness training for new employees in the first half of 2026, the average score increased from 4 in the pre-assessment to 5 in the post-assessment. The company provides waste management and hazardous chemical safety training to personnel in relevant departments handling environmental tasks, such as air and wastewater management. Training content is tailored to specific roles, including managers, handlers, and general workers.

Environmental Management Training for Executives and Employees

Category		Unit	2023	2024	2025
Hazardous Chemicals Safety Training*	Number of Participants	persons	1	87	101
	Training Hours	hours	32	582	426
Environmental Management Capacity Building Training**	Number of Participants	persons	-	-	2
	Training Hours	hours	-	-	32

* Conducted for hazardous chemical managers, handlers, workers, and suppliers at the Siheung Campus.
** Strengthening Environmental Management System Operations and Internal Inspection Capabilities through ISO 14001 Internal Auditor Training

Climate Change and Energy

Governance

Board of Directors Oversight of Climate Change Management

LX Semicon oversees overall ESG management, including climate change, through the ESG Committee under the Board of Directors. The ESG Committee regularly deliberates and reviews GHG emissions reduction targets and strategies, the achievement status of climate change response goals, climate-related risks and opportunities, and the enactment and amendment of related policies at least once a year, and reports key results to the Board of Directors.

ESG Committee Regulations

Category	Details
ESG Committee Regulations	Article 3(Authority) ① The Committee resolves the matters listed in Article 10 to ensure the company fulfills its environmental and social responsibilities and establishes transparent governance to achieve long-term sustainable growth.
	Article 10(Matters to be Submitted) ① Matters to be submitted to the Committee are as follows 1. Establishment of basic policies and strategies for ESG management 2. Setting mid- to long-term ESG goals ② Matters to be reported to the Committee are as follows: Plans and implementation performance of ESG management activities Occurrence of and responses to material ESG-related risks

Enhancing Climate-related Competencies of the Board of Directors

LX Semicon regularly conducts training on climate change and ESG to strengthen the climate-related decision-making capabilities of the ESG Committee under the Board of Directors. In particular, the company provides training by external experts prior to deliberating on major climate-related agenda items, thereby enhancing board members' understanding of climate change responses, carbon neutrality, transition risks, and related regulations.

Climate-related Training for the ESG Committee

Date	Target	Training Details
2025.04.18	ESG Committee	• Global ESG trends(carbon neutrality) • ESG management cases of major companies (carbon neutrality implementation status and best practices) • Necessity of ESG management for the company (climate-related assessments and due diligence, GHG emissions management, etc.)

Climate-related Reporting

LX Semicon regularly reports major climate-related agenda items such as the implementation status of carbon neutrality, enhancement of the greenhouse gas inventory, and the establishment of a carbon neutrality roadmap to the ESG Committee under the Board of Directors. Based on these reports, the ESG Committee reviews climate-related risks and opportunities and makes key decisions by considering the impact of climate change on the company's mid- to long-term strategies, investment plans, and financial performance.

Agenda Items Reported to and Approved by ESG Committee

Date	Target	Agenda Item	Details
2025.10.28	ESG Committee	Report on the Status of Carbon Neutrality Implementation	Plan to advance the GHG emissions inventory and establish a carbon neutrality roadmap
2025.04.18	ESG Committee	Report on the Status of Carbon Neutrality Implementation	Carbon neutrality roadmap, LCA-based product carbon footprint results, etc.

Management and Oversight of Climate Targets and Progress

The ESG Committee receives regular reports on the targets, implementation plans, and progress of key carbon neutrality initiatives. Climate-related agenda items are reported at least once a year. Based on these reports, the ESG Committee reviews target management and areas requiring improvement in the climate-related management system, reflecting the review results in the internal management system.

Role of Management

As the chief executive responsible for climate change response, the CEO of LX Semicon oversees corporate strategies and key targets. Division heads and executives of each organization implement climate-related tasks and manage risks and opportunities within their respective areas, reporting on key progress and results.

Climate Change and Energy

Strategy

Establishing Strategies to Address Climate Risks and Opportunities

LX Semicon establishes strategies to address climate-related risks and opportunities, taking into account the mid- to long-term business environment.

Climate Change Mitigation and Adaptation Activities

Category	Type	Activity	Current	Expected
Mitigation	Transition to renewable energy	Install rooftop solar power facilities	●	●
		Review renewable energy procurement methods	-	●
	Conduct product life cycle assessments	Establish a product carbon emissions calculation system	-	●
	Operate an internal carbon pricing system	Incorporate internal carbon pricing in major investment decisions	-	●
Adaptation	Prepare for physical damages	Manage risks of electrical equipment overload and fire (in preparation for extreme temperatures)	●	●

Improving Operational Efficiency at Business Sites and Advancing the Energy Transition

LX Semicon responds to climate-related transition risks by improving the energy consumption structure at its business sites and utilizing renewable energy. The company utilizes renewable energy by installing rooftop solar power facilities at the Daejeon campus and participates in the K-RE100 initiative. Furthermore, to address power supply instability and energy cost fluctuations, the company participates in the demand response trading market and manages power supply risks by adjusting demand during peak power usage hours.

Energy Management System Operation and Management

LX Semicon manages energy consumption and GHG emissions through its ISO 50001-based energy management system. Based on this system, the company regularly monitors its energy consumption status and manages energy efficiency improvement initiatives.

Improving the GHG Emissions Management System

To improve its GHG emissions management system, LX Semicon monitors Scope 1 and 2 emissions and has expanded its calculation scope to include overseas subsidiaries in accordance with its consolidated financial statements. Furthermore, the company expanded its Scope 3 emissions calculation categories in line with the GHG Protocol and completed a separate external verification for Scope 3 emissions. Additionally, the company is advancing energy efficiency initiatives, such as equipment replacements, and has established and operates a site management framework to reduce GHG emissions.

Identifying Climate Risks and Opportunities

To analyze physical risks, LX Semicon applied four Shared Socioeconomic Pathways(SSP) scenarios* based on the IPCC Sixth Assessment Report using the S&P Climanomics Tool. For transition risk analysis, the company identifies risks based on the four major risk categories** outlined in the TCFD Recommendations and estimates their financial impact by considering carbon credit price forecasts derived from the International Energy Agency(IEA)'s STEPS and NZE scenarios.

* SSP1-2.6, SSP2-4.5, SSP3-7.0, SSP5-8.5
** Policy/Regulation, Technology, Market, Reputation

Timeframe for Climate-related Financial Impact Analysis

Category	Criteria	Target Period for the Current Reporting Year
Short-term	Climate-related risks or opportunities expected to occur within one year	2026
Mid-term	Climate-related risks or opportunities expected to occur within 1 to 5 years	2027~2030
Long-term	Climate-related risks or opportunities expected to occur after 5 years	2031~2050

Climate Change and Energy

Financial Impact of Climate Change*

LX Semicon identified the growing market and customer demands for Scope 3 emissions reduction and supply chain decarbonization as key drivers of transition risk. Accordingly, the company determined that intensified GHG emissions reduction requirements driven by market and customer changes constitute a major risk. Assuming market demands intensify by 2035 and require a reduction of over 50% against 2025 baseline emissions, the company analyzed the estimated annual operating costs as offset costs based on IEA carbon price scenarios. A cost sensitivity analysis of transition risk exposure revealed that under the Net Zero Emissions(NZE) scenario, intensified market demands for GHG emissions reduction would increase operating costs by approximately KRW 29.8 billion in 2035 due to carbon credit purchases, compared to the Stated Policies Scenario(STEPS). This projected increase confirmed the necessity of advancing carbon neutrality to mitigate transition risks.

Climate-related Transition Risk Identified

Category	Key Drivers	Risk Description	Short-term	Mid-term	Long-term	Likelihood	Impact	Priority
Regulations & Policies	Changes in government policies such as GHG emissions regulations	Increased direct cost burden due to reduced free allocations and expanded paid allocations during the 4th phase of the Korea Emissions Trading Scheme(2026-2030); additional policy tightening expected under the NZE pathway.	-	-	●	Medium	Medium	Medium
	Strengthened mandatory disclosures	Introduction of KSSB disclosure standards, implementation of GRI 102(2027), and climate change scenario analysis and financial impact disclosure(quantitative)	-	●	●	Very High	Medium	Medium
Market	Scope 3 reduction demands from major customers	Customers demanding RE100 and carbon neutrality across their supply chains, and increased preference for eco-friendly products	●	●	●	Very High	Very High	High
	Increase in supply chain raw material prices	Increased demand for low-carbon raw materials and parts, and cost increases due to stronger demands for renewable energy use	-	●	●	High	Very High	High
	Increase in renewable energy power procurement costs	Upward trend in PPA and REC unit prices, and additional OPEX incurred upon joining RE100	-	●	●	High	Medium	Medium
Technology	CAPEX burden for transition to low-carbon processes	Need for low-carbonization of existing facilities(electrification, hydrogen transition, etc.)	-	●	●	Medium	High	Medium
	Carbon credit market volatility and quality issues	Reliability controversies in the VCM(Voluntary Carbon Market); potential price surges for high-quality credits, with risk increasing in proportion to reliance on offset strategies	-	●	●	High	Medium	Medium
Reputation	Decline in ESG Ratings and Investor Pressure	Stricter standards by ESG rating agencies and increasing divestment pressure from institutional investors	-	●	●	Medium	Medium	Low

Category	Category	NZE Impact (KRW 100 million)	STEPS Impact (KRW 100 million)	2035 Scenario Gap (KRW 100 million)
Market	Customer demands for supply chain emission reductions and renewable energy transition	321	23	298

* This analysis is limited to market risks. Financial impacts were calculated based on carbon prices under the IEA NZE and STEPS scenarios, limited to the projected OPEX(operating expenses) incurred to achieve a 50% reduction from baseline emissions. These impacts may vary depending on exchange rate fluctuations and scenario updates. Furthermore, as these figures represent a point-in-time analysis(2035), cumulative financial impacts and transition pathway analyses will be added in future updates.

Physical Risk Analysis

LX Semicon analyzed the potential financial impacts of physical climate risks across its three major domestic business sites. Using the S&P Global's Climanomics Tool, LX Semicon applied SSP scenarios based on the IPCC Sixth Assessment Report(AR6) to evaluate mid- to long-term impacts. This analysis calculated the Mean Annual Anticipated Loss(MAAL) and the loss rate relative to asset value for each business site across nine major climate risks, including typhoons, floods, droughts, and extreme temperatures. The company comprehensively evaluated these financial impacts by considering potential revenue declines, increased facility restoration and maintenance costs, and rising operating expenses. These financial impacts may drive future increases in operating expenses(OPEX) and capital expenditures(CAPEX) related to asset maintenance. Based on these findings, LX Semicon recognizes that physical risks could affect the long-term operational stability and cost structure of its business sites, and plans to review necessary responses with a focus on areas exhibiting relatively high risk levels.

Category	Description
Analysis Basis	SSP scenarios based on the IPCC Sixth Assessment Report(AR6)
Analysis Scenarios	SSP1-2.6(Low-carbon) vs. SSP5-8.5(High-carbon)
Analysis Period	2020s–2050s(10-year intervals)

Category	Description
Analyzed Assets	Three domestic business sites(Daejeon campus(R&D center), Siheung Campus(manufacturing site), and Yangjae Campus(office))
Analyzed Hazards	9 physical hazards(extreme temperatures, urban flooding, riverine flooding, coastal flooding, droughts, wildfires, typhoons, water stress, and landslides)
Key Metrics	MAAL(Mean Annual Anticipated Loss) and Loss-to-Asset Ratio(%)

Physical Risk Analysis Results

The estimated financial loss* over a 10-year period in the 2050s is projected at approximately KRW 35.5 billion under the low-carbon scenario(SSP1-2.6) and KRW 49.8 billion under the high-carbon scenario(SSP5-8.5), representing a loss gap of approximately KRW 14.3 billion(28.3%) between the two scenarios. By hazard type, extreme temperatures were identified as the most significant driver of financial impact, accounting for over 85% of total physical risks. Regarding the accumulation of risks over time, achieving the low-carbon scenario could reduce losses by approximately KRW 14.3 billion by the 2050s, highlighting the importance of the company's response to the low-carbon transition and its long-term climate risk management.

Financial Impact of Physical Risks**

Category	SSP1-2.6 (Low Carbon)	SSP5-8.5 (High Carbon)
2030s	KRW 29.8 billion	KRW 33.3 billion
2040s	KRW 34.5 billion	KRW 41.6 billion
2050s	KRW 35.5 billion	KRW 49.8 billion

Category	SSP1-2.6 (Low Carbon)	SSP5-8.5 (High Carbon)
Loss Growth Rate(2030s→2050s)	19.3%	49.7%
2050s Scenario Gap	KRW -14.3 billion	KRW 14.3 billion
Loss-to-Asset Ratio in the 2050s	33%	45%

* Total losses by 10-year interval for the three business sites analyzed
** The information contained in this table includes forward-looking statements based on the assumptions and estimates of the S&P Climanomics Tool, and actual results may differ due to various risks and uncertainties.

Climate Change and Energy

Risk Management

Climate Risk Assessment Criteria

LX Semicon categorizes physical risks in 10-year intervals, and transition risks and opportunity factors into short-term(within 1 year), mid-term(1 to 5 years), and long-term(beyond 5 years). The company determines management priorities through quantitative and qualitative assessments based on likelihood and severity(financial impact). Likelihood is evaluated on a 5-point scale ranging from 0–10% to 90–100%, while severity is assessed on a 5-point scale based on its impact on business operations and financial statements.

Climate Risk Prioritization

LX Semicon plans to integrate anticipated climate change risks into its enterprise risk management system. To this end, the company identifies and assesses climate-related risks and opportunity factors, and develops corresponding response measures. Response priorities are determined primarily based on financial impact. These risks and opportunities are comprehensively reviewed alongside other major management risks to evaluate their enterprise-wide impact and determine the need for future management.

Controls and Procedures

LX Semicon conducts annual quantitative and qualitative assessments of climate-related risks and opportunities, categorizing them into physical risks, transition risks, and opportunities to evaluate their impact across the business. Significant climate-related data is managed in accordance with internal procedures, and major metrics, including GHG emissions, undergo third-party verification to ensure reliability.

Metrics & Target

GHG Emissions*

(Unit: tCO_2eq)

Category	2025
Direct and Indirect GHG Emissions(Scope 1 and Scope 2)	7,315
Scope 1	1,227
Scope 2	6,092
Other Indirect GHG Emissions(Scope 3)	389,547
Category 1(Purchased Goods and Services)	382,294
Category 2(Capital Goods)	2,577
Category 3(Fuel- and Energy-Related Activities)	1,527
Category 4(Upstream Transportation & Logistics)	1,654
Category 5(Waste Generated in Operations)	264
Category 6(Business Travel)	1,042
Category 7(Employee Commuting)	17
Category 15(Investments)	172

* Total emissions may differ slightly from the sum of emissions by category due to the rounding down of decimals for emissions by business site.

Measurement Standards*

Category	Standards and Guidelines
Scope 1 & 2 Emissions	• ISO 14064-1(2018), IPCC Guidelines for National Greenhouse Gas Inventories(2006), ISO 14064-3:2019 • Guidelines for Reporting and Certification of Emissions in the Greenhouse Gas Emission Trading Scheme(Ministry of Environment Notification No. 2025-64)
Scope 3 Emissions	• ISO 14064-1(2018), ISO 14064-3:2019 • WRI/WBCSD GHG Protocol(2013), IPCC Guidelines for National Greenhouse Gas Inventories(2006)

* LX Semicon applies the operational control approach when calculating GHG emissions.

Climate Change and Energy

Input Variables for GHG Emissions Calculation

Category	Input Variables
Scope 1 (Stationary and Mobile Combustion)	• Activity data: Fuel consumption • Parameters: Guidelines on Reporting and Certification of Emissions in the Greenhouse Gas Emission Trading Scheme, and IPCC and IEA emission factors
Scope 2 (Electricity and Heat)	• Activity data: Electricity or heat(steam) consumption • Parameters: Guidelines on Reporting and Certification of Emissions in the Greenhouse Gas Emission Trading Scheme, and IPCC and IEA emission factors
Scope 3 Category 1 (Purchased Goods and Services)	• Calculation methodology: Supplier-specific, hybrid, average-data, and spend-based methods • Activity data: Annual purchase volume and cost of purchased goods • Parameters: Supplier PCF emission factors and external average emission factors
Scope 3 Category 2 (Capital Goods)	• Calculation methodology: Supplier-specific, average-data, and spend-based methods • Activity data: Cost and purchase volume of newly acquired fixed assets • Parameters: Direct supplier surveys and external average emission factors
Scope 3 Category 3 (Fuel- and Energy-Related Activities)	• Calculation methodology: Average-data method • Activity data: Types of fuel consumed and annual consumption • Parameters: Upstream emission factors by fuel type
Scope 3 Category 4 (Upstream Transportation and Distribution)	• Calculation methodology: Distance- and spend-based methods • Activity data: Total weight of products transported annually, transportation distance, and transportation costs • Parameters: Emission factors by transportation mode
Scope 3 Category 5 (Waste Generated in Operations)	• Calculation methodology: Disposal method-based calculation • Activity data: Annual waste generation and disposal methods • Parameters: Emission factors by waste type and disposal method
Scope 3 Category 6 (Business Travel)	• Calculation methodology: Fuel- and distance-based methods • Activity data: Annual aviation fuel consumption and travel distance • Parameters: Emission factors by transportation mode
Scope 3 Category 7 (Employee Commuting)	• Calculation methodology: Fuel-based method • Activity data: Fuel consumption of commuter buses • Parameters: Emission factors by transportation mode
Scope 3 Category 15 (Investments)	• Calculation methodology: Investment- and project-based, and average-data methods • Activity data: Scope 1 and 2 emissions of investees, and equity share • Parameters: Spend-based emission factors

Climate-related Targets

LX Semicon has established mid- to long-term GHG emissions reduction targets to respond to climate change, utilizing them as key management metrics. With 2025 as the base year, the company has set a 2050 carbon neutrality target covering direct(Scope 1) and indirect(Scope 2) emissions, and regularly monitors its implementation status.

Targets and Implementation Strategies

Target	Category	Base Year	Mid-term Year	Target Year
Carbon Neutrality by 2050	Year	2025	2028	2050
	Reduction Target	-	30% reduction in Scope 1 & 2 emissions compared to the base year	100% reduction and offset of Scope 1 & 2 emissions
	Emissions	7,315	-	-
	Target Emissions	-	5,121	0
	Implementation Strategy	-	Reduce energy consumption at business sites and transition to renewable energy (RE100 for the fabless division)	

Climate-related KPIs

KPI Owner	Performance Indicator	Weight
Head of Climate-related Department	• Establish mid- to long-term strategies and a roadmap for carbon neutrality • Enhance the GHG inventory • Establish a supply chain GHG emissions management system	5%

Social

Human Resources

Governance

Human Resources Governance

LX Semicon designs a mid- to long-term talent portfolio to respond to changes in the business and technological environment, operating a human resource management system that enables individuals and the organization to grow together. This system is designed around the roles and responsibilities of each department. The BOD(Board of Directors) oversees HR-related decision-making by receiving reports on major HR policies and strategies, and by reviewing and approving key agenda items related to operational performance.

Organizational Structure

Category	Role
Board of Directors	• Deliberates and approves Human Capital-related policies and agendas
CEO	• Oversees human resources(including management and supervision)
Operating Committee	• Talent Development Committee(Operated annually) - Reviews the operation of the organization and organizational leaders, identify executive candidates, discuss HR Development, and discuss Corporate Culture improvement plans • Talent Subcommittee(Operated as needed) - Reviews and deliberates on matters related to employee evaluation, promotion, compensation, and development
HR Department	• Operates and improves systems related to HR, recruitment, training, and Corporate Culture

Role of Management

The CEO oversees human resources strategy and operations. By incorporating HR management metrics, such as securing core talent and ensuring efficient HR operations, into key performance indicators(KPIs), the CEO strengthens the alignment between talent acquisition and development and business performance. Furthermore, relevant committees and the HR Department under the leadership of the CEO manage and improve major HR systems, including evaluation, compensation, training, and welfare with expertise and objectivity. Each department supports these efforts to enhance the efficiency of HR decision-making and operational stability. The company operates a management system to ensure its HR strategy is aligned with its mid-to-long-term business strategy.

Strategy

Talent Acquisition Strategy

To strengthen its business capabilities, LX Semicon has established a talent acquisition strategy focused on attracting top R&D professionals. The company offers employment-linked programs, such as internships and an industry-academic scholarship program, for undergraduate and graduate students in South Korea. At its overseas business sites, the company recruits top local talent through tailored hiring practices that reflect regional characteristics. Furthermore, it runs employment-linked internship programs in key markets, including Japan and India, to build a global talent acquisition system.

Recruitment Policy

LX Semicon recruits talent based on job suitability and growth potential, guided by principles of fairness, transparency, and competency. The company prevents discrimination based on gender, age, nationality, and career background throughout the entire process of recruitment, evaluation, and compensation, ensuring equal opportunity.

Performance Evaluation

LX Semicon conducts performance evaluations for all executives and employees based on a fair, performance-driven compensation system. These evaluations cover the entire workforce, including regular employees, contract employees, and executives, with results reflected in compensation, development, and promotions. After setting individual goals at the beginning of each year, the company reviews progress and provides feedback through first-half and year-end evaluations to support employees' competency development and career growth.

Performance Management Process

* Ratings are finalized through the Talent Subcommittee, hosted by Executives and attended by organizational leaders and HR. Performance evaluations cover all personnel, including Regular Employees, contract workers, and Executives.

Performance Compensation

LX Semicon operates a performance compensation system that provides incentives and performance bonuses in addition to base salaries. Compensation is determined by comprehensively considering overall business performance and organizational achievements, creating a motivating environment where employees can voluntarily commit to organizational goals.

Human Resources

Talent Development

LX Semicon considers employee growth as core value and operates various training programs to enhance job competencies. The company provides training for leadership development, basic and professional job skills, and global competency enhancement, supporting executives and employees in continuously developing the skills required for their roles.

HR Development System

Leadership

- Identify and implement leadership development programs tailored to the competencies required at each organizational level
  - Organizational leaders: Conduct regular training on leadership competencies (organizational management and performance creation)
  - Future leaders: Offer development programs designed to proactively build the competencies required for future leadership roles.
  - Others: Operate timely, situation-specific coaching programs.

Basic Competencies

- Develop and deliver competency enhancement programs tailored to employee job grades and roles
  - All employees: Provide basic competency training tailored to each job grade based on the Group's Core Values
  - New and experienced hires: Provide onboarding programs to enhance organizational understanding and facilitate communication and collaboration.
  - By job grade: Provide customized training programs tailored to each job grade.

Professional Competencies

- Establish and operate professional development programs for key functions, including R&D, sales and marketing, and quality
  - Provide job training tailored to employees' competency levels and individual needs
  - Encourage R&D personnel to complete professional development training at least twice a year

Global Competency

- Strengthen employees' global competencies in line with the company's global business expansion
  - Overseas Assignees: Provide pre-departure training and language programs to support adaptation to local environments.
  - Overseas Assignees and Local Hires: Conduct regular professional development training to strengthen job expertise(First Half: Online Training / Second Half: In-Person Training at Headquarters).

Mentoring Program

LX Semicon provides mentoring programs for R&D personnel to enhance their job understanding and practical skills. The company matches mentors and mentees by design project and task to facilitate practical coaching, and has expanded the mentoring program to all researchers starting in 2025.

Enhancing Design Competencies

LX Semicon has established a training system to foster experts in the design field and operates training programs linked to practical work. For new researchers, the company offers basic design training covering circuit theory, display structures and systems, and development processes. For senior and lead researchers, LX Semicon provides advanced courses to support the theoretical understanding and application required for practical work. Specialized advanced training is conducted by in-house instructors as well as external experts invited from universities and research institutes.

New Hire Academy

Core Design Training(2.5 weeks)

- Circuit Theory
- Semiconductor Processes & Devices
- Development Process & Design Flow
- Design Environment
- Display Structure & System
- Semiconductor Quality & Test

Specialized Training(4.5 weeks)

- Digital
  - Design Entry
  - Logic Implementation & Verification
  - Post-Layout
  - SoC Architecture
- Analog
  - Circuit/Mixed Simulation & Verification
  - OP Amp Design & Verification
  - Reference Design & Verification
  - Oscillator & PLL
  - ADC, AFE, DC-DC IP, R-DAC, Level Shift

Project Execution(5 weeks)

- Term project
  - Team Formation(6-7 members)
  - Display Driver IC Design

Advanced Course

Analog Design	Digital Design	Design Technology	Core Training
12 courses including Analog Circuit Design	13 courses including SoC Architecture & Specifications, etc.	3 courses including Physical Design/Verification, etc.	3 courses including Semiconductor Product Development Process, etc.

Human Resources

Work Environment and Employment Systems

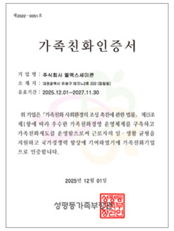
LX Semicon continuously improves employee benefits, working conditions, and corporate culture to help employees consistently perform at their best. Through these efforts, the company aims to create a work environment that supports the long-term retention and engagement of top talent.

Employee Benefits

Health	Life & Family	Growth	Refresh
• Medical expense support for employees and their families • Comprehensive medical checkups for employees and spouses • In-house cafeteria(breakfast, lunch, and dinner) • Dedicated take-out booth • Group accident insurance coverage • Health management rooms	• Welfare points • Low-interest housing loans • Congratulatory and condolence support • Disaster relief • Children's tuition support • In-house daycare center	• Support for in-house learning clubs • Language learning support(online and offline) • E-library • Book purchase allowance	• Summer and sabbatical leave • Long-term service awards • Support for sports events(baseball, football) • Corporate discounts for partner resorts and condos

Work-Life Balance Systems

LX Semicon responds to the changing work environment by implementing various work arrangements, such as flexible work hours, a remote work system, and video conferencing, to ensure work efficiency and business continuity. The company operates systems that support work-life balance, enabling employees to harmonize their personal and professional lives. Furthermore, the company acquired the Family Friendly Certification in 2022 and has maintained it to date.



Retirement Pension

LX Semicon operates a retirement pension plan to support employees in preparing for life after retirement. The plan is primarily managed under a Defined Benefit(DB) scheme; however, employees may periodically apply to switch to a Defined Contribution(DC) scheme based on their individual preferences.

Re-employment Support Services

LX Semicon offers job placement, employment training, or entrepreneurship training to prospective retirees aged 50 or older with at least one year of service. Eligible employees can choose their preferred program upon request.

Employee Support Programs

Category	Details
Work Environment Improvement	• Flexible work hours: Monthly selective working hours system • Remote work system: Working from home once a week • Casual dress codes
Maternity Protection Support	• Maternity leave: Guaranteed 90 days of paid and unpaid leave before and after childbirth (120 days for multiple births) • Paternity leave: 20 days of paid leave upon a spouse's childbirth • Fertility treatment leave: 6 days of annual leave for fertility treatment(first 2 days paid) • In-house daycare center
Family Care Support	• Family care leave: 10 days of annual leave provided to care for family members due to illness, accidents, or old age
Health Promotion Support	• Health checkup support: For employees and their spouses • Medical expense support: For employees and their spouses • Medical support: Operation of in-house health management rooms • Psychological counseling: Runs the 'The Gonggam' psychological counseling center • Group insurance enrollment(covering accidental death, death from illness, etc.)
Family Event Support	• Gifts and support for weddings, parents' 60th birthday celebrations, funerals, childbirth, children's school enrollment, etc.
Tuition Support	• Children's tuition support
Leave System	• Encouraged vacation: Actively supported during bridge holidays • Congratulatory and condolence leave: Granted for family events of employees • Reward leave: Granted for long-term service and to high performers • Summer vacation: Granted separately from annual leave • Sabbatical leave: Granted every five years of continuous service

Human Resources

Risk Management

Employee Communication

LX Semicon recognizes effective communication with employees as a critical element of human resource management. To enhance employees' understanding of the organization, the company shares its management direction, key policies, and organizational updates through various communication channels, including CEO business performance briefings, the intranet bulletin board, and internal social media platforms. In addition, LX Semicon operates a Change Agent(CA)* program to incorporate employees' perspectives into management decision-making. Through consultations and discussions on a wide range of topics, including improvements to working conditions and the resolution of employee grievances, the program contributes to fostering a healthy and collaborative organizational culture.

Category	Frequency	Details
CA Council	Monthly	Compile employee grievances from CAs across different departments and discuss solutions.
Sil-mal-i Meeting	Bimonthly	Discuss solutions to employee grievances within the organization through Sil-mal-i(Stories You Really Want to Tell) meetings
Labor-Management Council	Semi-annually (twice a year)	Discuss and consult on unresolved agenda items from the CA Council with employees, management, and CAs
Performance Sharing Meeting	Quarterly	A company-wide communication forum where the CEO shares business performance, future outlook, key management issues, and responds to employee questions.

*Change Agent(CA): Representatives of executives and employees selected by business division to mediate communication.

Onboarding Program and Satisfaction Survey

LX Semicon provides various onboarding programs to help new hires smoothly adapt to the organization and their roles. The company helps new hires understand the organization by providing welcome gifts, welcome letters, and new hire guides. In addition, the company conducts new hire satisfaction survey covering the period from the final acceptance announcement to 100 days after joining, and operates step-by-step activities to help them understand the corporate culture and their tasks.

Metrics & Target

Working Environment Improvement Metrics

LX Semicon has established category-specific work environment metrics to improve employee physical and mental health, and to strengthen organizational competitiveness by enhancing job satisfaction.

Category	Details
Workforce Composition	Manage the ratio of female managers and the employment rate of persons with disabilities
Working Conditions and Participation	Manage average weekly and annual working hours and overtime hours, and manage the utilization rate of flexible work hours by organization
Training and Competency Development	Manage the completion rate of competency development training, such as leadership and job training

Operation of Labor-Management Council

Category		Unit	2023	2024	2025
Meetings Held		Times	4	4	4
Agenda	Reporting*	Cases	4	4	4
	Consultation**	Cases	15	13	17
Attendance Rate	Employee Representatives	%	100	100	100
	Management Representatives	%	100	100	100

* Reporting: Quarterly business performance
** Consultation: Grievance handling related to maintaining and improving working conditions, such as revising employee welfare systems

Violations of Human Rights, Employment, and Labour Laws

Category	Unit	2023	2024	2025
Number of Violations of Relevant Laws*	Cases	0	0	0

* Based on consolidated business sites

Human Rights Management

Governance

Human Rights Management Governance

LX Semicon supports international human rights and labour standards, including the Universal Declaration of Human Rights, the UN Global Compact(UNGC) Human Rights and Labour Principles, the UN Guiding Principles on Business and Human Rights(UNGPs), and the International Labour Organization(ILO) Core Conventions. LX Semicon complies with relevant laws and regulations in the countries and regions where it operates, and manages human rights issues by prioritizing the higher standard when local laws conflict with international human rights standards. Furthermore, the company operates a human rights management system based on defined roles and collaboration across its highest decision-making, general oversight, and implementation functions.

Organizational Structure

Category	Role
Board of Directors	• Deliberate on key agenda items related to human rights management
ESG Committee	• Approve the enactment and revision of human rights management policies • Review key human rights risks and issues
CEO and Management	• Oversee and supervise human rights management
Government Relations & ESG Team	• Management of human rights management policies - Human rights risk assessments and human rights impact assessments - Supplier ESG assessments including human rights criteria - Management and disclosure of quantitative and qualitative human rights performance
Legal Team	• Identification and analysis of company-wide risks(including human rights issues) - Review of human rights-related laws and international standards
HR Department	• Verification of compliance with labour-related laws, including the Labour Standards Act - Operation and performance management of programs related to maternity protection, non-discrimination, and working conditions - Review of hiring fairness(elimination of potential human rights violations)
Ethics Bureau	• Receive reports, investigate, determine outcomes, provide remedies, and prevent recurrence of human rights violations(e.g., bullying, sexual harassment) - Ensure anonymity and confidentiality, and implement victim protection measures - Follow up on investigation results and report to management
Information Security Team	• Receive reports, investigate, and implement follow-up measures for personal information breaches
Safety and Environment Team	• Operate health management programs for executives and employees - Establish and manage industrial accident prevention plans
SCM Department	• Manage supply chain risks • Incorporate ESG evaluation results into evaluations of suppliers

Strategy

Human Rights Management Policy

LX Semicon recognizes the importance of protecting human rights and is committed to safeguarding the rights of its executives and employees, as well as stakeholders across the value chain, by establishing specific policies and regulations. Enacted in April 2024 with the approval of the ESG Committee, the LX Semicon Human Rights Management Policy is revised as needed in collaboration with relevant departments to reflect changes in industrial and regulatory environments, as well as domestic and international human rights standards. This policy applies to key stakeholders, including LX Semicon executives and employees and Suppliers, and outlines core principles for protecting human rights, such as occupational safety and health, the prohibition of forced and child labour, and the prevention of discrimination and harassment.

Mid- to Long-term Human Rights Management Goals

LX Semicon conducts human rights impact assessments to manage the direct and indirect impacts its business activities may have on stakeholders. To systematically manage these impacts, the company has established mid- to long-term human rights management goals.

Category	Short-term(2026)	Mid-term(2027)	Long-term(2029~)
Strategic Targets	• Establish human rights impact assessment process • Conduct human rights impact assessment(annually)	• Establish plans to reduce and mitigate human rights impacts by risk level	• Monitor the implementation of impact mitigation plans • Disclose improvement results externally(annually)

Human Rights Grievance Handling

LX Semicon operates various human rights grievance channels to promptly receive and address human rights violations and workplace grievances from executives and employees, as well as external stakeholders such as suppliers. LX Semicon reviews and addresses submitted grievances in accordance with relevant procedures while guaranteeing anonymity and accessibility.

Human Rights Grievance Channels

Category	Grievance Channels
Internal and External Stakeholders	• 'Ethics Hotline' on the LX Semicon website • Reports can be submitted in person, by mail, email, or phone.
Employees	• 'Grievance NowTalk' and 'Sexual harassment and Workplace Harassment Reporting' on the company portal • CAs for each department, Corporate Culture Team, and Ethics Bureau(in person, mail, email, or phone)

Security Management

LX Semicon recognizes the necessity of preventing human rights violations that may occur during security operations. Security personnel from external agencies complete personal data protection training, sexual harassment and bullying prevention training, and disability awareness training. Furthermore, they undergo on-site practical training, such as 'security protocol and etiquette' and 'handling customer complaints,' in accordance with the annual job training curriculum to ensure the protection of human rights in the field.

Human Rights Management

Risk Management

Human Rights Impact Assessment

As a member of the UN Global Compact(UNGC), LX Semicon established a human rights impact assessment system based on the UN Guiding Principles on Business and Human Rights(UNGPs) through the 'Business and Human Rights Accelerator' program in partnership with SHIFT, an international human rights organization. Based on this system, the company identifies and assesses actual and potential human rights risks affecting stakeholders across the value chain in all business activities. By comprehensively reflecting the UNGPs, OECD Guidelines, industry standards, and materiality assessment results, the company identified a pool of key human rights risks specific to its business characteristics. Furthermore, the company establishes and manages prevention and mitigation measures based on the prioritization of these identified risks.

Human Rights Risk Pool

Supply Chain	Manufacturing and Assembly	Own Operations	Downstream
• Use of conflict minerals • Occurrence of forced and child labour • labour exploitation in high-risk areas(CAHRA, Conflict Affected and High Risk Areas**)	• Inadequate management of working hours and occupational safety and health • Chemical exposure - Violation of the right to health • Labour exploitation within supplier processes	• Long working hours • Workplace harassment • Discrimination	• Data and personal information breaches • Human rights violations against customers and end-users due to inadequate product safety

* UN Guiding Principles on Business and Human Rights
** Conflict-Affected and High-Risk Areas

Human Rights Impact Assessment Process

1. Defining the Scope of Human Rights Impacts and Identifying Risks

Define the scope of stakeholders affected by corporate activities and identify actual and potential human rights risks, considering business and industry characteristics.

2. Risk Prioritization (Impact Assessment)

Prioritize identified human rights risks based on severity and likelihood, and conduct assessments by comprehensively considering industry and regional characteristics, statistical and government data, external data, and internal inspection results.

4. Monitoring and Reflecting Implementation Results

Regularly monitor implementation results, evaluate the effectiveness of measures and remediation outcomes, and reflect them in future human rights impact assessments and management processes.

3. Risk Management(Prevention, Mitigation, and Remediation)

Establish human rights risk prevention and mitigation plans based on priorities, and execute implementation tasks, including grievance handling and remedial measures when necessary.

Human Rights Impact Assessment Results

Given its nature as a fabless company, LX Semicon determines that human rights risks arising from its own manufacturing processes are limited, whereas indirect human rights risks may exist across the supply chain. According to the human rights risk severity assessment based on the UNGPs, child labour, forced labour, and occupational safety issues within the supply chain were identified as major human rights risks requiring priority management.

Priority	Value Chain	Vulnerable Stakeholders	Associated Risks	Actual/Potential
High (Immediate Management*)	Upstream(Supply chain)	Mineral mining workers	Forced/child labour	Potential
High (Immediate Management*)	Upstream (Supply Chain Manufacturing)	Foundry process workers	Occupational safety/ Chemical exposure	Potential
High (Immediate Management*)	Upstream (Supply Chain/Manufacturing)	Tier 2-3 Subcontracted Workers	Excessive Working Hours/ Low Wages	Potential
High (Immediate Management*)	Own Operation	Employees	Prolonged Working Hours / Burnout	Potential
Medium (Management Required)	Own Operation	Employees	Workplace harassment	Potential
Medium (Management Required)	Own Operation	Employees	Discrimination by gender, promotion	Potential
Low(Needs Monitoring)	Downstream	Electronic product users	Product use-related risks	Potential

* Indicates risks requiring priority management due to their potential for significant impact.

Risk Mitigation Measures

As subcontracted workers in the upstream supply chain have been identified as vulnerable stakeholders, LX Semicon manages human rights risks in phases through contractual conditions, supplier evaluations, and recommendations for improvement, taking into account the limitations of direct control over the supply chain. Furthermore, the company has established and is implementing mid- to long-term goals to mitigate these risks.

Short-term(2026)

- **Establish a foundation for supply chain human rights management**
  - Conduct human rights risk assessments for over 50% of key suppliers(annually)

Mid-term(2027~2028)

- **Enhance the supply chain human rights management system**
  - Establish action plans by risk level
  - Provide annual capacity-building support (Human Rights Training and consulting)

Long-term(2029~)

- **Intensively manage high-risk supply chains**
  - Conduct on-site inspections for high-risk suppliers
  - Monitor the implementation of improvement initiatives

Human Rights Management

Metrics & Target

Human Rights Grievance Handling Results

Over the past three years, LX Semicon has continuously monitored discrimination incidents that constitute ethical violations, such as gender discrimination, discrimination against persons with disabilities, and workplace harassment, and implemented immediate corrective actions upon the occurrence of any incident. In 2023, no incidents of workplace harassment or sexual harassment occurred across all domestic and overseas business sites. In 2024, two incidents of sexual harassment occurred. The company immediately separated the involved parties, implemented disciplinary measures, and subsequently strengthened sexual harassment prevention training for executives and employees. In 2025, no discrimination incidents, including workplace harassment and sexual harassment, occurred.

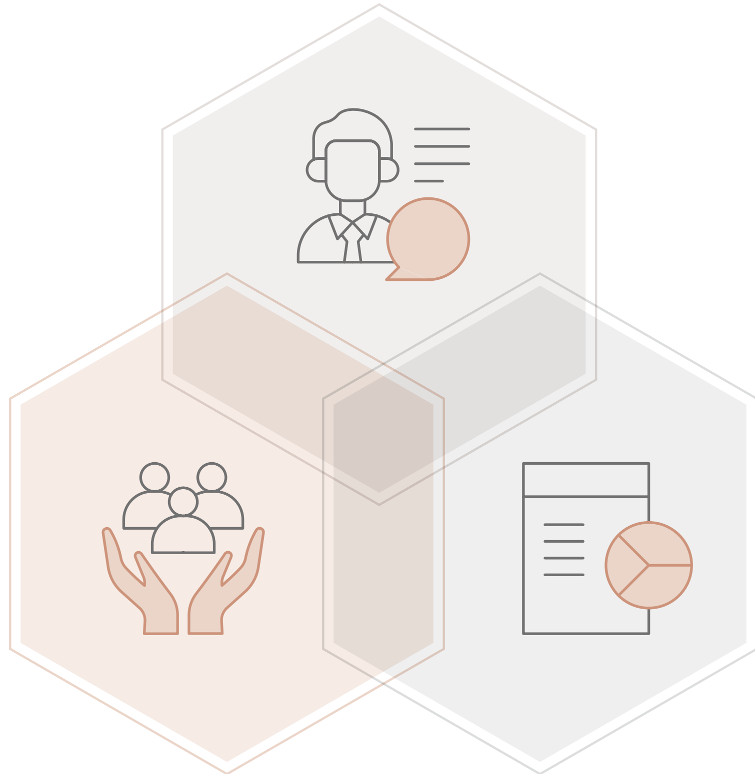
Human Rights Grievance Resolution Status

Category	Unit	2023	2024	2025
Grievances Received*	Cases	0	2	0
Grievances Resolved	Cases	0	2	0
Grievance Resolution Rate**	%	0	100	0

* Number of cases identified as human rights grievances across all grievance channels accessible to internal and external stakeholders
** The resolution rate is not calculated for years with no reports

Human Rights Training

Category		Unit	2023	2024	2025
Workplace Disability Awareness Training	Training Hours	Hours	1,561	1,438	1,420
	Number of Participants	Persons	1,561	1,438	1,420
Workplace Sexual Harassment Prevention Training	Training Hours	Hours	1,561	1,438	1,420
	Number of Participants	Persons	1,561	1,438	1,420



Occupational Safety and Health

Governance

Occupational Safety and Health Governance

Under the leadership of the Board of Directors, LX Semicon makes major decisions and conducts risk management activities regarding occupational safety and health. Furthermore, the company assigns dedicated occupational safety and health personnel at each business site to operate a company-wide occupational safety and health management system and manage and supervise related activities.

Organizational Structure

Category	Role
Board of Directors	• Review and approve the annual occupational safety and health plan • Monitor the implementation results of the annual occupational safety and health plan, etc.
CEO	• Establish and manage the annual occupational safety and health plan • Receive reports and direct responses in the event of serious accidents
Occupational Safety and Health Committee	[Chief Safety and Health Manager, Safety and Health Officers, Employee Participation] • Review and approve safety and health-related agendas • Post agendas and results on the company portal(held quarterly)
Safety and Environment Team	• Manage and improve company-wide occupational safety and health • Execute safety and health plans, improve systems, and manage occupational safety and health at business sites and related certifications, etc.
Safety and health officers	• Safety Manager: Certified Industrial Safety Engineer • Health Manager: Registered Nurse

Occupational Safety and Health Management Performance Indicators

LX Semicon's safety and environment team has set key performance indicators(KPIs) focused on enhancing corporate value by building a strong safety and health culture. To ensure safe workplace operations, the company tracks specific management metrics, such as the completion rate of regular emergency response drills and safety inspections. Additionally, the company operates an occupational safety and health system designed to prevent industrial accidents, mitigate hazards, and ensure regulatory compliance.

Strategy

Occupational Safety and Health Implementation Direction

Based on its management philosophy of 'Link to a Sustainable Future', LX Semicon implements site-centered activities to protect the safety and health of its employees and prevent serious accidents.

Mid- to Long-term Occupational Safety and Health Goals

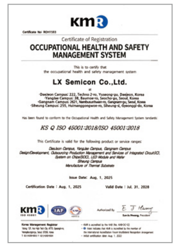
Category	2026	2027	2028
Establish and Operate the Occupational Health and Safety Management System	• Conduct risk assessments annually • Analyze recurring risk factors and standardize improvements	• Conduct company-wide risk assessments annually • Establish an advanced system	• Establish a data-driven and prevention-oriented risk management system
	• Inspect vulnerable facilities at least once a year • Expand practical safety training content	• Inspect vulnerable facilities annually • Integrate safety management manuals	• Establish a lifecycle safety management system for facilities
Foster a proactive safety culture	• Operate programs to promote participation in occupational safety and health(e.g., contests)	• Incorporate executive and employee participation rates into KPIs • Establish a culture of participation	• Internalize a field-driven safety culture
	• Systematize health record tracking and follow-up measures for individuals with findings from health checkups	• Provide customized health management programs by job role	• Implement prevention-oriented health risk management
Manage the emergency response system	• Conduct emergency drills annually • Establish a drill evaluation and feedback system	• Conduct emergency drills annually • Diversify drill scenarios	• Conduct emergency drills annually • Conduct drills focused on actual accident response capabilities

Occupational Safety and Health Policy

LX Semicon maintains an occupational safety and health policy to build a strong safety culture among all employees and prevent serious accidents. The policy focuses on complying with occupational safety and health laws and regulations, creating a safe work environment, supporting safety training, encouraging participation in safety initiatives, and reducing risks. These principles serve as the foundation for our continuous improvement efforts.

Occupational Safety and Health Management Certification

Since acquiring its initial ISO 45001 certification in 2022, LX Semicon has expanded the scope of certification and currently maintains it for all domestic business sites. The ISO 45001 certification is utilized as a standard for managing occupational safety and health risks, such as assessing potential risks at each business site, preventing safety and health accidents, and improving the work environment.


OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM
LX Semicon Co.,Ltd.

Occupational Safety and Health

On-site Inspection Activities

To prevent workplace accidents, LX Semicon conducts "Safety Walk & Talk," a monthly workplace walkthrough inspection led by the safety and health manager. Any identified hazards and risk factors are addressed immediately.

Occupational Safety and Health Management Based on Employee Participation

LX Semicon operates an internal occupational safety and health bulletin board to raise employee awareness and ensure systematic occupational safety and health management. Through this platform, the company shares relevant policies and management status to promote a culture of safety. Additionally, the company continuously collects feedback from executives and employees through the occupational safety and health improvement request(VOE*) board on the internal portal, and operates a corresponding review and improvement process. Based on this feedback, the company improved the temperature, humidity, and ventilation conditions in the laboratories at the Siheung Campus and Yangjae Campus in 2026.

* Voice Of Employee

Employee Health Management Support

LX Semicon develops and operates various health management programs to promote employee health and foster a safe working environment. The company provides general health checkups for all domestic executives and employees. To support systematic health management, LX Semicon offers comprehensive medical checkups to employees aged 35 and older or those with at least five years of service. Furthermore, the company runs health promotion programs and campaigns focused on various themes, such as smoking cessation and weight management. LX Semicon also supports employee health and related education by operating on-site health management rooms across its campuses and offering first aid and CPR training programs.

Incident Investigation

LX Semicon conducts thorough investigations into all accidents, analyzes their causes, and implements corrective actions. By responding immediately to accidents, the company focuses on preventing the recurrence of similar incidents and maintaining a safe work environment. In the event of an accident, the company forms an accident investigation team to conduct an in-depth investigation, clearly identify the root cause, and establish recurrence prevention measures to be applied company-wide.

Safety Accident Investigation Process

1. Issue emergency accident notifications and preserve the accident scene
2. Collect relevant on-site data
3. Interview victims regarding accident circumstances and details
4. Identify primary accident causes based on witness interviews
5. Review other relevant materials
6. Draft accident investigation reports and Report to the Risk Management Committee

Establishing Crisis Response Manuals

Recognizing the need for an effective response management system amid tightening domestic and international regulations on safety and environmental accidents, LX Semicon has established a crisis response manual as an annex to its emergency preparedness process. This manual defines various crisis situations and emergencies that could disrupt production activities. Through this, the company is building a fast and effective action and reporting system to overcome crises and minimize casualties and property damage.

Crisis Response Scenario

The crisis response manual categorizes crisis situations based on their type and progression. By establishing a response system by severity level and developing scenarios, it strengthens systematic and initial response capabilities for each situation.

Type	Description	Scenario Overview
Safety Accidents	Injuries and casualties caused by safety and traffic accidents	• Communicate the situation and provide first aid prior to emergency transport • Report and conduct emergency transport
Fire and Explosion	Casualties and damage to property and facilities from fire and explosion	• Situation reporting and first aid • Fire extinguishing and evacuation
Gas and Chemical Leaks	Casualties and property damage from chemical leaks in laboratories	• Situation reporting and first aid • Initial containment and evacuation
Natural Disasters (Earthquakes, Typhoons, Floods)	Casualties and property damage from earthquakes, flooding, etc.	• Situation reporting and on-site inspections • First aid and evacuation

Safe Workplace

LX Semicon provides personal protective equipment in accordance with the guidelines for the provision and management of personal protective equipment to create a pleasant work environment and prevent safety accidents. To ensure a safe workplace, the company maintains standard operating procedures at business sites with hazardous processes, including laboratories. The company also posts signage near emergency aisles, firefighting facilities, and escape routes, and keeps material safety data sheets(MSDS) readily available at each business site.

Occupational Safety and Health

Risk Management

Occupational Safety and Health Risk Assessment

LX Semicon conducts an annual company-wide occupational safety and health risk assessment to identify and manage potential risks. The assessment covers facility safety, industrial accident prevention, employee health checkups, and hazardous substance management. The company aims to minimize occupational safety and health risks by implementing improvement measures for the identified issues.

Business Site Risk Assessment

LX Semicon eliminates or mitigates risk factors identified through risk assessments at each business site. The company conducts additional assessments as needed and requires initial assessments when introducing new tasks, facilities, or equipment. In 2025, LX Semicon strengthened employee participation in the risk assessment process, which previously relied primarily on online surveys. The company conducted additional on-site surveys and inspections of measurement rooms, plants, and suppliers, targeting 46 departments with high exposure levels across major processes. By incorporating employee feedback into the risk determination process, the company selected a total of 39 targets for risk investigation.

Business Site Risk Assessment Process

Preliminary Preparation	Identifying Hazards and Risk Factors	Determining Risks	Establishing and Implementing Risk Reduction Measures	Sharing and Recording
Drafting Implementation Regulations, Designating Responsible Personnel, and Collecting and Analyzing Accident Cases(Online and On-site Employee Surveys)	Identifying Risk Factors at Business Sites through Routine Inspections	Assessing and Determining Risk Levels(Participation of Employees, Supervisors, and Safety and Health Officers)	Establishing and Implementing Prioritized Measures	Sharing and Recording through TBM (Tool Box Meetings), Training, etc.

Workplace Risk Mitigation

An analysis of the top risk items among the 39 risk assessment targets for 2025 primarily identified risk factors related to office work. As key response plans, the company distributed health newsletters on preventing musculoskeletal disorders and the importance of proper posture and stretching, and installed banners and floor safety stickers prohibiting smartphone use while walking. These activities are shared with executives and employees through the occupational safety and health bulletin board on the employee portal.

Laboratory Working Environment Risk Measurement

LX Semicon conducts semi-annual risk measurements for each hazardous agent to determine the exposure and occurrence levels of hazardous agents that may negatively impact workers, thereby creating a safe working environment. The company establishes a measurement plan in advance and identifies the exposure and occurrence levels of hazardous agents through personal sampling, analysis, and evaluation.

Laboratory Safety Inspections

To strengthen safety management within its laboratories, LX Semicon regularly conducts detailed laboratory safety inspections. The company identifies risk factors based on predefined risk levels and implements immediate improvement measures for any findings. If severe risks are identified, the company conducts additional inspections and manages the process to ensure corrective actions are completed within three months.

Detailed Safety Inspection Rating Criteria

Grade	Evaluation Criteria
1	No issues in the laboratory safety environment, and safety is maintained
2	Minor defects found in the laboratory safety environment and research facilities, which do not significantly impact safety but require improvement
3	Safety improvements are required due to defects in the laboratory environment or research facilities.
4	Severe defects found in the laboratory safety environment or research facilities, requiring restrictions on use
5	Critical defects found in the laboratory safety environment or research facilities with a high risk of safety accidents, requiring immediate suspension of use and improvements

Supplier Safety Competency Evaluation

LX Semicon conducts annual safety and health qualification assessments for suppliers to prevent industrial accidents and foster a safe work environment. The company evaluates the safety and health management levels of internal and external suppliers providing construction and services. Suppliers scoring below 70 points are classified as high-risk, required to implement improvements, and monitored for actual progress through submitted documentation. If safety violations are identified, the company enforces stricter oversight through recurrence prevention training. To help suppliers build autonomous safety systems, the company provides guidelines on establishing occupational safety and health management systems, developing risk assessment procedures, and creating safe work protocols, thereby ensuring the practical effectiveness of these measures.

Evaluation Criteria

Category	Key Inspection Items
Occupational Safety and Health Management System	Occupational safety and health management plan, occupational safety and health management policy, subscription to industrial accident compensation insurance, etc.
Occupational Safety and Health Operations	Occupational safety and health staffing levels, proficiency of supervisors
Occupational Safety and Health Implementation	Risk assessment, safe work procedures, safety and health training, emergency response plans, etc.
Accident Rate	Monitoring Occupational Accident Status
Additional Points	ISO certification status, risk assessment certification by the agency, occurrence of serious accidents, etc.

Occupational Safety and Health

Metrics & Target

Occupational Safety and Health Training

Category	Unit	2023	2024	2025
Training hours*	Hours	37,614	31,662	18,154
No. of Participants	Persons	1,520	1,483	1,467

* Training hours: Training hours per course × Number of trainees

Industrial Accidents*

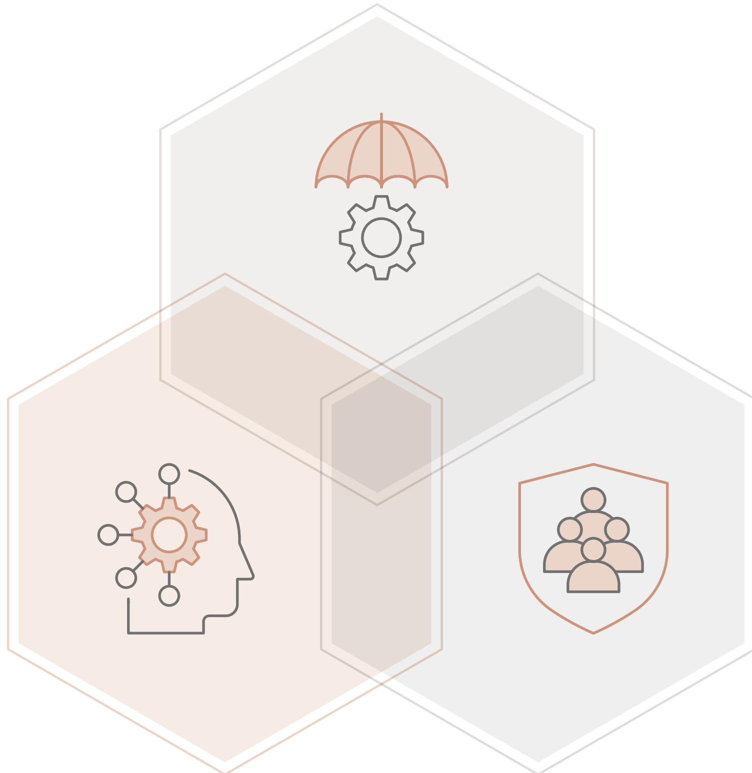
Category		Unit	2023	2024	2025
Employees**	Number of Lost-Time Incidents	Cases	1***	0	0
	Accident Rate	%	0.06	0	0
	Illness Rate	%	0	0	0
	LTIFR (Lost Time Injury Frequency Rate)	Cases/ million hours worked	0.33	0	0
Suppliers	Number of Lost-Time Incidents	Cases	0	0	0
	Accident Rate	%	0	0	0
	Illness Rate	%	0	0	0
	LTIFR (Lost Time Injury Frequency Rate)	Cases/ million hours worked	0	0	0

* Based on domestic business sites
** Including executives and employees and in-house contract workers
*** Minor non-work-related injuries

Violations of Occupational Safety and Health Regulations

Category	Unit	2023	2024	2025
Number of violations of occupational safety and health regulations*	Cases	0	0	0

* Based on consolidated business sites



Supply Chain

Governance

Sustainable Supply Chain Governance

In accordance with international standards, including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, LX Semicon identifies ESG related risks that may arise in the supply chain and builds a sustainable supply chain ecosystem by mitigating and managing negative impacts. To comprehensively evaluate financial and non-financial risks, the company designates and operates dedicated evaluation units for each sector, and monitors any negative issues regarding supply chain sustainability through regular reporting to management.

Organizational Structure

Category	Role
Board of Directors	The highest decision-making body for sustainability management, including the supply chain
ESG Committee	Reviews, approves, and monitors the implementation of supply chain sustainability agendas
CEO	Manages and supervises supply chain sustainability risks
SCM Department	Establishes and implements sustainable procurement strategies, and manages conflict minerals
Supporting Departments	[Quality/Production Technology] Evaluates supplier capabilities related to quality and technology [Government Relations & ESG Team] Evaluates supplier capabilities related to ESG

Strategy

Supply Chain Sustainability Management Policy

To strengthen sustainability across the supply chain, LX Semicon adopted the supply chain sustainability management policy and established systematic evaluation and management standards by outlining the supply chain ESG evaluation process and monitoring criteria.

Supplier Code of Conduct

LX Semicon enacted and disclosed the supplier code of conduct based on the code of conduct of the Responsible Business Alliance(RBA), a global initiative. The company specifies compliance with the code of conduct as a condition in supplier contracts and, when necessary, enhances management by requiring major suppliers to sign a pledge to supplier code of conduct and practice standards to ensure compliance.

Responsible Mineral Sourcing

LX Semicon established a responsible minerals sourcing policy and operates a management system for conflict minerals, including tin, tantalum, tungsten, and gold, to manage unethical mining and distribution risks associated with human rights violations and environmental destruction across its major product supply chain.

Supplier Engagement and Capacity Building

LX Semicon conducts regular sustainability assessments and due diligence on all suppliers with which it has significant direct or indirect business relationships. In addition to identifying and assessing sustainability risks within the supply chain, the company raises suppliers' awareness of sustainable supply chain management. Based on the results of the annual ESG evaluation, LX Semicon supports suppliers in fulfilling their social responsibilities by providing consulting and improvement guides to improve their ESG management practices.

Supplier Grievance Handling

LX Semicon actively gathers supplier feedback to improve systems and strengthen the foundation for mutual growth. The company receives grievances and suggestions across all business areas, including production operations, quality risks, and technological improvements, and implements improvement activities. Received grievances are categorized and processed into actionable and non-actionable items based on their type and scope. Through these efforts, LX Semicon supports supply chain stabilization, operational efficiency, and the enhancement of quality and technological competitiveness, thereby contributing to a more sustainable and resilient supply chain.

Supply Chain

Risk Management

Supply Chain Risk Identification

LX Semicon conducts credit evaluations on suppliers semi-annually to continuously monitor their financial soundness. In terms of non-financial capabilities and management, the company operates a system to evaluate supplier competitiveness based on five core evaluation indicators: technology, quality, cost, delivery, and ESG.

Supply Chain Risk Category

Category	Checkpoints
Finance	Risks of default based on profitability, debt, and cash flow
Operation	Risks of supply disruptions and poor quality related to technology, manufacturing, logistics, and quality
Commercial	Risks in trade conditions related to contract clauses and payments
Geopolitics	Risks of supply disruptions and suspensions due to conflicts
ESG	ESG risks including environment, labour, occupational safety and health, and ethics

Responsible Mineral Sourcing

LX Semicon continuously strengthens management activities to prevent conflict minerals from entering the supply chain by monitoring suppliers, inspecting their use of conflict minerals, and requiring declarations of non-use.

Conflict Minerals Management Process

Category	Checkpoints
1. Conflict Minerals Status Review	Review the use of certified smelters
2. Supplier CMRT* Collection and Review	Request and review supplier CMRTs and declaration of non-use of conflict minerals
3. LX Semicon CMRT Preparation	Prepare a CMRT covering all company products
4. Stakeholder Inquiry Response	Submit additional data upon stakeholder request

* Conflict Minerals Reporting Template

Supply Chain ESG Assessment

LX Semicon assigns supplier management grades based on the importance of supplied materials, purchasing power, and technological and quality levels, and conducts an annual supply chain ESG assessment for major suppliers. The company shares the assessment results with participating suppliers and recommends improvements for areas with potential risks.

Supply Chain ESG Assessment Process

Target Supplier Selection	Supply Chain ESG Assessment	Risk Mitigation Plan	Sharing Results
Select target suppliers for assessment based on influence and importance criteria, such as business scale and materiality	Conduct annual ESG risk assessments using self-assessment questionnaires to verify risk levels and results	Establish action plans based on the level of risk and provide support, including ESG training and consulting * Conduct due diligence on high-risk suppliers(as needed)	Share evaluation results with suppliers and monitor the implementation of improvement measures

Scope of Supply Chain ESG Evaluation

Category	Evaluation Criteria
Environmental	Environmental management system, GHG emissions, water and wastewater, waste, air pollutants
Human Rights & Labour	Human rights and labour standards and practices, workplace occupational safety and health, supply chain human rights and labour
Ethics & Governance	Ethics Management, ESG management and disclosure, Governance
Product and service responsibility	Chemical and hazardous substance management, raw material sourcing, use of renewable energy, etc.

Improvement Measures Based on Supply Chain ESG Assessment Results

In 2025, LX Semicon distributed an ESG self-assessment checklist to in-house subcontracting suppliers to assess their ESG risk management practices. While the overall evaluation results for three major suppliers were rated as 'Good' and 'Excellent,' several common areas for improvement were identified. These included establishing a GHG emissions calculation system based on activity data, strengthening supply chain responsibility through a supplier code of conduct, and systematically identifying financial and non-financial risks to operate an effective risk management system. No supplier relationships were terminated due to negative environmental or social impacts; however, the company provided recommendations and improvement guidelines to enhance suppliers' ESG management.

Supply Chain

Metrics & Target

Supply Chain ESG Assessment Status

Category	Unit	2023	2024	2025
Suppliers Designated for Supply Chain ESG Assessment*	companies	22	18	18
Suppliers Participating in Supply Chain ESG Assessment	companies	20	17	18
Assessment Participation Rate	%	91	94	100

* ESG assessment of key suppliers is graded based on the importance of supplied items, purchasing power, and technology/quality levels

Supplier Grievance Handling Status

Category		Unit	2023	2024	2025
Number of Reports		Cases	-	43	37
Action Status	Adopted*	Cases	-	35	26
	Actions Completed	Cases	-	35**	23

* Adoption criteria: Grievances related to Production Operations(SCM), Quality, technological improvement, and other supply chain operations. Items that must be maintained to respond to customers, such as specification change requests, are excluded.
** Update on 2024 performance data: Actions completed for 35 out of 43 ongoing items.

Information Security

Governance

Information Security Governance

LX Semicon recognizes information security as a core operational priority and operates a company-wide information security governance system. To strengthen information security management, the company has appointed the Chief Information Security Officer(CISO). The Information Security Council, reporting directly to the CEO, and a dedicated department monitor the implementation of company-wide information security policies and manage major security issues. By linking key information security performance indicators to the CEO's KPIs, the company reinforces executive-level accountability and oversight for data breaches and cybersecurity risks.

Organizational Structure

Category	Role
CEO	Holds ultimate responsibility and oversight for company-wide information security management, and makes decisions on major information security policies and issues
CISO	Oversees company-wide information security, establishes and manages the implementation of information security policies, and directs the information security organization
Information Security Council	Reviews the implementation of company-wide information security policies, deliberates on major security issues and incident response plans, and determines directions for improvement
Technology Management Officer	Manages the protection of National Core Technology
Information Security Team	Establishes and manages company-wide information security policies, standards, and guidelines, and plans and reviews the information security management system
Relevant Departments	Establish and implement information security plans by division(HR: personal information and personnel security / IT: systems and infrastructure / R&D: technical information / Legal: compliance)

Strategy

Information Security Management System

LX Semicon maintains certifications based on international standards to ensure the reliability and adequacy of its information security risk management system. The company holds the ISO/IEC 27001 Information Security Management System certification and completed a 2025 renewal audit based on the 2022 revised standards, reviewing and strengthening its information security management system to align with the latest international standards. Through this process, an external expert agency verified the management system for major information security risks, including data leaks, cyberattacks, and system failures. Furthermore, the company continuously improves its information security management by integrating certification requirements into internal management processes.

TISAX Certification

In 2026, LX Semicon achieved Assessment Level 2(AL2) under TISAX(Trusted Information Security Assessment Exchange), the automotive industry's information security assessment framework, receiving objective verification for the reliability and adequacy of its information security management system. Through this certification, the company meets the information security requirements of its customers and stakeholders while continuously strengthening its internal control systems to protect core technologies and information assets.

Protection of Core Technologies and Information Assets

LX Semicon established security management guidelines and appointed a technology management officer to operate a security system that protects core technology assets, including its OLED DDI design technology designated as national core technology. The company conducts security training for relevant personnel and implements measures to prevent technology leaks. LX Semicon also participates in the annual national core technology survey to assess its security levels and implement necessary improvements. Furthermore, LX Semicon ensures legal and regulatory compliance by actively responding to the security policies and inspection requirements of national agencies. This involves integrating the latest trends in industrial technology and information security, and continuously upgrading its security response system through regular inspections and collaboration.

Information Security

Strategy & Risk Management

Technical Security

LX Semicon operates an information asset protection system that includes endpoint security by applying security solutions for documents, mobile devices, and business PCs, along with Network Access Control(NAC). In addition, the company manages design information by separating the business network from the design-dedicated network, controls data transfer through approval procedures and strengthens sensitive information management through AIP(Azure Information Protection)-based information asset classification and access control.

Network Security Management Against Cyber Threats

LX Semicon operates a multi-layered network security system and 24-hour security monitoring to prevent cyber breaches. The company monitors external intrusions in real time and has established a system to enable rapid response through CERT upon detecting signs of a breach. Furthermore, it protects information assets by managing network access and blocking unauthorized device connections using security solutions such as firewalls, DMZs, and Wireless Intrusion Prevention Systems(WIPS).

Improving Information Leakage Monitoring

LX Semicon is upgrading its real-time monitoring system across all company systems to prevent information leakage incidents and respond swiftly if they occur. The company is improving system functions to more accurately detect the leakage of sensitive information and devising measures to enhance the speed and accuracy of its response, from anomaly detection to mitigation.

AI Risk Management

LX Semicon proactively assesses security risks associated with the adoption of the latest AI tools to preemptively respond to the evolving technological landscape. In response to the growing use of AI within the organization, the company established internal security guidelines covering data protection, model safety, and ethical standards to prevent data leaks and misuse. Furthermore, the company set standards to systematically identify and manage potential risks throughout the AI service development and operation lifecycle, and distributed these guidelines to executives and employees to promote a culture of safe AI utilization.

Personal information Protection

In compliance with the Personal Information Protection Act, the company operates a systematic management system to ensure the safe processing of personal information related to customers and suppliers. The company applies security standards throughout the entire data lifecycle, from collection and use to storage and disposal and conducts regular education and training in accordance with relevant policies to raise employees' awareness of personal information protection. Through these efforts, the company prevents risks such as personal information leakage and strengthens the foundation of external trust.

Raising Employee Awareness of Information Security

To raise employee awareness of information security, LX Semicon conducts separate company-wide information security training and personal information protection training. The company continuously strengthens security awareness by tailoring these programs to the specific roles and responsibilities of executives and employees.

Category	Key Activities	Objective
1. Security Training	Regular company-wide training and customized training for security-sensitive personnel	Enhance employee security awareness
2. Raising Awareness	Sharing security issues and incident cases	Responding to the latest security threats
3. Security Inspections	Regular internal security inspections	Verifying policy compliance
4. Incident Response Training	Scenario-based training for phishing and malware	Enhancing incident response capabilities

Establishing Security Guidelines

In response to the expansion of cloud environments, LX Semicon standardized core security requirements, including access control, data encryption, and account management. The company established a management system to maintain consistent security levels across multi-cloud and hybrid cloud environments. The company included practical application guidelines to strengthen the security response capabilities of operating organizations.

Physical Security

For physical security, the company uses access control systems to ensure only authorized personnel can enter business sites and utilizes security screening equipment to prevent the unauthorized removal of devices.

Information Security

Risk Management

Incident Response and Business Continuity Management

LX Semicon conducts incident response training and operates a disaster recovery system to prepare for security incidents and system failures. The company verifies the effectiveness of its response readiness through practical, scenario-based incident response exercises and disaster recovery(DR) simulations, immediately implementing any identified improvements. Furthermore, the company conducts regular tests and simulations based on its Business Continuity Plan(BCP) and Disaster Recovery Plan(DRP) to ensure business continuity and protect information assets during unexpected crises, such as cyberattacks, system failures, and data breaches.

Security Inspections by External Agencies

LX Semicon regularly conducts penetration testing and vulnerability assessments through external specialized agencies. Through objective security diagnostics, the company identifies potential vulnerabilities and implements improvement measures. Continuous inspections and improvement activities strengthen the organization's security response capabilities.

Supplier Security Management

LX Semicon recognizes supplier security management as a critical component of its information security strategy to ensure stable collaboration and supply chain reliability. The company strengthens security reliability across the supply chain by clearly defining security requirements and responsibilities from the contract stage, and by continuously monitoring and improving supplier security levels through inspections and audits. By 2026, the company plans to establish a system to identify and assess security risks across the supply chain based on customer and supplier requirements. Furthermore, the company will ensure security reliability by inspecting supplier security levels and supporting improvements, while strengthening preemptive risk management to counter growing external threats.

Metrics & Target

Information Security Training for Executives and Employees*

Category	Unit	2023	2024	2025
Total training hours	Hours	1,633	1,486**	1,394
Number of completions	Persons	1,633	1,486**	1,394

* Training to raise overall awareness of information security, including personal data protection training
** Data aggregated based on the number of completions

Information Security Incidents

Category	Unit	2023	2024	2025
Damages from personal information breaches	Cases	0	0	0
Damages from information leaks	Cases	0	0	0
Penalty Amount	KRW	0	0	0

Quality Management

Governance

Quality Management Governance

LX Semicon has established an ISO 9001-based quality management system to achieve customer satisfaction. To ensure accountability and swift decision-making, the company operates a quality management framework centered on the Production Quality Division, which reports directly to the CEO. To effectively manage cross-functional operations, the Production Quality Planning Team establishes common strategic indicators and monitors their implementation. Major issues across production, development, and outsourcing quality are regularly reported to the CEO and continuously improved under the supervision of top management.

Quality Management Certification

LX Semicon maintains ISO 9001 certification to continuously improve quality, enhance customer satisfaction, and meet international quality requirements. To secure differentiated competitiveness, the company is transitioning to global quality management standards. In line with the expansion of new businesses and business sites, the company is broadening its sector-specific certifications by acquiring ISO 9001 for new sites as well as IATF 16949, an automotive quality management system certification.

Quality Policy

LX Semicon's Quality Policy aims to create value for customers by fostering a proactive work environment for its employees. This empowers the organization to secure unwavering core competitiveness, driven by a customer-first mindset and a commitment to excellence.

1. Continuously strengthen customer responsiveness to expand customer value
2. Secure competitiveness in Development Quality by strengthening preventive and anti-recurrence activities
3. Contribute to stabilizing Mass Production Quality through the upward standardization of Outsourcing Quality
4. Foster experts in each field by cultivating self-directed work capabilities

Strategy & Risk Management

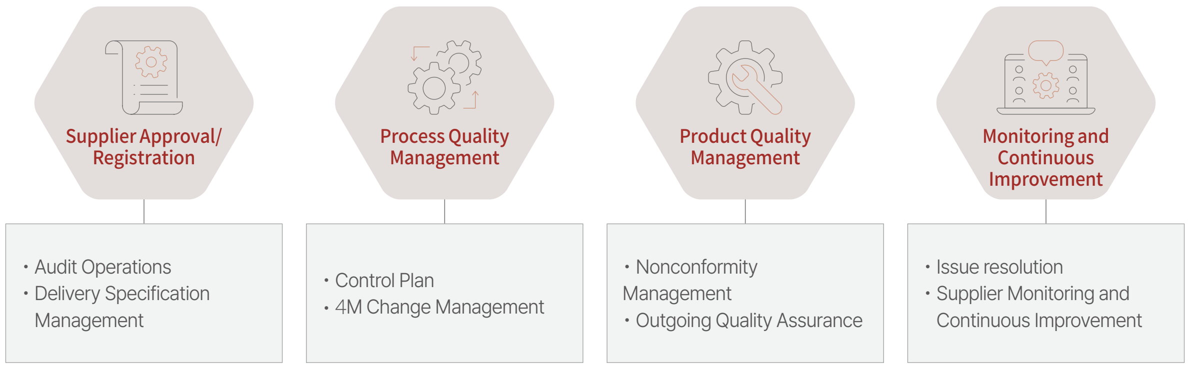
Product Quality Management

LX Semicon promptly analyzes the root causes of quality issues related to products, processes, and raw materials, devises countermeasures, and strengthens verification to prevent recurrence. The company systematically manages quality data through its QMS(Quality Management System) and SCS(Supplier Collaboration System), thereby enhancing the transparency and efficiency of supplier quality management. In addition, to proactively identify and address quality risks and secure high quality from the development stage, the company fosters global reliability experts, establishes reliability standards, and strengthens proactive reliability verification at both the single IC and customer module levels. Furthermore, the company conducts annual audits based on the ISO 19011 guidelines, advancing continuous inspections and improvement activities to ensure suppliers comply with global quality standards.

Supplier Quality Management

LX Semicon applies strict verification standards to evaluate, approve, register, and manage suppliers responsible for production and shipping. Through this process, the company closely assesses supplier production capabilities and ensures consistent quality. By thoroughly verifying product characteristics and implementing rigorous process quality management for all manufactured goods, the company maintains high quality standards at the shipping stage. This enables LX Semicon to meet customer demands while continuously enhancing product reliability.

Closed Loop of Quality



Quality Management

Automotive Product Quality Management

LX Semicon aims to establish an integrated quality management system for automotive products to incorporate global customer requirements, secure quality competitiveness, and expand orders. Given the high safety and reliability required for automotive products, the company establishes guidelines to ensure products are manufactured at the facilities of suppliers holding IATF 16949 certification, in line with global automotive quality standards. Furthermore, the company operates a quality management system across the supply chain by conducting audits based on its internal standards.

Incoming Material Inspection

At the Siheung Campus, qualified inspectors who have undergone training are deployed to ensure inspections and quality checks are conducted according to standards at the incoming and receiving stages for supplied products, and systematically manage test reports for delivered materials. In addition, the campus prioritizes the management of certified suppliers, and conducts regular inspections at the receiving stage based on appearance, labels, and traceability documents.

Establishing Contingency Plans

LX Semicon proactively identifies major risks that could impact product quality and supply, such as fires, natural disasters, cyberattacks, and raw material supply disruptions, and has established and implements a contingency plan to prevent emergencies from disrupting the normal provision of products and services. The company continuously manages and improves this plan to maintain a stable product supply and ensure business continuity, even in the event of a disaster or quality incident.

Enhancing Customer Satisfaction

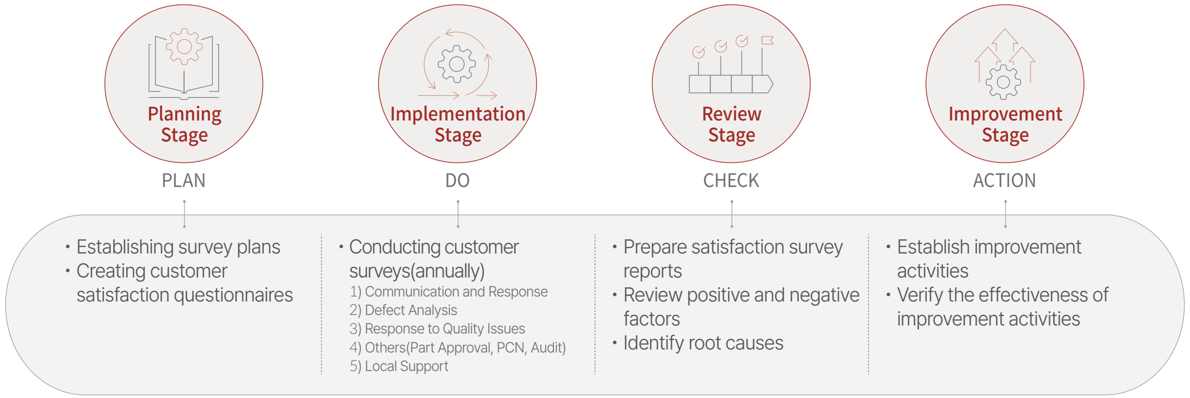
LX Semicon focuses on minimizing quality issues by responding swiftly to product defects. If an issue occurs with a delivered product, the company systematically tracks and manages the failure data, conducts defect analyses, and implements fundamental improvements and preventive measures. To ensure immediate responses to customer reports of defects, the company has established in-house analysis laboratories at its domestic and overseas business sites. This enables rapid action, thereby enhancing product reliability and strengthening the quality management system. Furthermore, the company is committed to improving customer satisfaction. To effectively address the needs of key customers, LX Semicon assigns quality management personnel to major hubs including the USA, China, and Japan to proactively respond to regional customer demands.

Metrics & Target

Customer Satisfaction Survey

LX Semicon utilizes customer satisfaction survey results as a key customer management metric to systematically manage satisfaction with its products and services. Conducted annually, the survey covers communication and responsiveness, defect analysis, response to quality issues, local support, and other items such as part approval, PCN, and audits. The company measures and analyzes satisfaction levels and trends based on the results of each category, utilizing this data to improve product and service quality.

Customer Satisfaction Survey Process



Outsourced Production Quality Indicators

LX Semicon establishes annual outsourced production quality metrics and conducts regular monthly quality meetings with suppliers to improve process and production quality. Through these efforts, the company identifies Continuous Improvement Plan(CIP) items and manages outsourced suppliers to enhance their quality.

Status of Quality and Reliability Experts

Certification Title	Number of Experts(persons)
CQE(Certified Quality Engineer)	9
CRE(Certified Reliability Engineer)	5
VDA 6.3(Automotive Quality Process Audit Expert)	2
VDA 6.5(Automotive Quality Product Audit Expert)	2
FSE(Functional Safety Expert)	1

Local Communities

Governance

Local Community Governance

LX Semicon continues its social contribution activities to ensure responsible contributions to local communities, and has established a review committee and internal management regulations to enhance the transparency of donation execution. The Donation Review Committee comprehensively evaluates the appropriateness of the donation's purpose and recipients, as well as its social value and public interest, to deliberate on the execution of donations. Through this process, the company avoids one-time donations and contributes to establishing a responsible decision-making system.

Strategy & Risk Management

Implementation Direction

Based on LX Group's core values of 'Link', 'Future', and 'Human', LX Semicon aims to create a 'better future together'.

Identifying Negative Impacts

LX Semicon utilized the WWF(World Wide Fund for Nature) global screening tool, which assesses biodiversity risks across business sites and supply chains, to identify potential environmental risks to local communities, including those near its domestic operations, that may be affected by its business activities. Given its fabless business structure and location within industrial complexes, the company's impact on natural and human resources is relatively limited. However, design, administrative, and R&D activities may still generate indirect impacts through pollutant emissions and resource consumption. Accordingly, the company is committed to strengthening its positive impact to foster mutual growth with local communities, supported by a foundational impact management system aligned with relevant laws and standards.

Metrics & Target

Support for Underprivileged Children

In 2025, LX Semicon implemented support programs for underprivileged children to fulfill its social responsibility and promote the sustainable growth of local communities. The company continuously engages in social contribution activities in partnership with local childcare facilities to improve living conditions and support the stable growth of children in need. As part of these efforts, LX Semicon donated to the Jahye Children's Welfare Center in Daejeon and the Myeongjin Wildflower Love Village in Seoul. Furthermore, LX Semicon provides daily necessities and facility improvement supplies to ensure a safe and pleasant environment for the children.

Support for Para Sports

LX Semicon supports the para-sports team to promote and expand the base of sports for persons with disabilities. The company contributes to the development of disability sports by not only operating the team but also supporting athletes in each discipline to demonstrate their capabilities in a systematic and professional training environment. As of the end of 2025, a total of 25 athletes are active across 8 disciplines, and the company plans to continue providing systematic support to help athletes achieve their best performance.

Support for Vulnerable Groups

In November 2025, LX Semicon participated in the "Sharing Love with Kimchi" donation event held in Yuseong-gu. The event was organized to support the winter livelihoods of vulnerable groups in the region, and the company contributed by delivering a donation. Moving forward, the company will continue to advance initiatives that share warmth with members of local communities.

Governance

Board of Directors

Governance

Board of Directors Composition and Operation

LX Semicon's Board of Directors(BOD) serves as the highest decision-making and supervisory body for overall management and the protection of shareholder interests. The Board consists of executive directors, independent directors, and other non-executive directors. Independent directors provide independent opinions based on their expertise in various fields, including management, finance, law, and ESG. The directors of the Board are appointed at the general shareholders' meeting in accordance with relevant laws and the Articles of Incorporation, and are selected based on their expertise and independence. The CEO concurrently serves as the chairperson of the Board, fulfilling these duties in accordance with the Board regulations. Additionally, the Board reviews major management issues and financial, risk, and ESG-related agendas through its committees. The Board of Directors reviews and supervises the impact of the company's major business activities on environmental, social, and governance factors. When necessary, committees conduct preliminary reviews of relevant matters before reporting them to the Board. The Board delegates certain supervisory functions to its committees.

Composition of the Board of Directors*

(As of June 2026)

Name	Category	Role within the BOD	Committee Membership	Initial Appointment Date	Current Term Expiration Date
Yun-tae Lee	Executive Director	CEO, Chairperson of the BOD	Finance Committee(Chairperson), ESG Committee(Member)	2024.03.21	2027.03.20
Hyuk-joo Lee	Executive Director	Director	Finance Committee(Member)	2026.03.26	2029.03.25
Seong-ook Jung	Independent Director	Director	ESG Committee(Chairperson), Audit Committee(Member)	2023.03.23	2029.03.22
Nam-soo Kim	Independent Director	Director	ESG Committee(Member), Audit Committee(Member)	2024.03.21	2027.03.20
Beom Kim	Independent Director	Director	Audit Committee(Chairperson), ESG Committee(Member)	2025.03.20	2028.03.19
Sang-beom Han	Independent Director	Director	–	2024.03.21	2027.03.20
Jin-soe Roh	Other Non-Executive Director	Director	–	2021.03.18	2027.03.19

* The directors of the Board are appointed at the general shareholders' meeting, and the Board is composed with consideration for expertise and independence. The term is three years, and expiration dates may vary slightly depending on the schedule of the general meeting of shareholders

Board Skills Matrix

(As of June 2026)

Name	Category	Relevant Industry Experience	Management Experience	Finance & Risk	Accounting	ESG
Yun-tae Lee	Executive Director	●	●	●		●
Hyuk-joo Lee	Executive Director	●	●	●	●	
Seong-ook Jung	Independent Director	●				●
Nam-soo Kim	Independent Director	●				●
Beom Kim	Independent Director		●	●	●	●
Sang-beom Han	Independent Director	●	●	●		
Jin-soe Roh	Other Non-Executive Director		●	●		

Board of Directors Appointment Principles

LX Semicon ensures that independent directors comprise more than half of the Board of Directors to enhance management transparency and support optimal decision-making by management. The company establishes independence, diversity, and expertise as core criteria in the director appointment process, adhering to fair procedures without discrimination based on backgrounds such as gender, race, religion, or political affiliation.

Principles for Board of Directors Appointment and Candidate Selection

Independence
- Exclude the largest shareholder and individuals with significant interests in the company
- Exclude former employees who served within the past two years from serving as Independent Directors

Transparency
- Conduct thorough reviews and deliberations on qualifications and suitability when approving agenda items for the general shareholders' meeting regarding the appointment of BOD(Board of Directors) members
- Appoint all directors through resolutions at the general shareholders' meeting

Expertise
- Select Independent Director candidates by considering their expertise and relevant experience in management, economics, accounting, law, technology, and ESG(Environmental, Social, Governance)

Board of Directors

Strategy

Independent Director Candidate Selection Process

LX Semicon receives recommendations for independent director candidates through various channels. The Board of Directors Secretariat verifies in advance whether candidates meet the qualification requirements under relevant laws and the Articles of Incorporation, and then recommends individuals who align with the interests of shareholders and the company as independent director candidates through a fair and transparent process. When identifying the candidate pool, the company considers the opinions of shareholders, stakeholders, and external advisory bodies. Recommended candidates undergo additional verification of their qualifications and suitability before being appointed as independent directors through a resolution at the general shareholders' meeting.

Committee Composition

LX Semicon operates the Audit Committee, Finance Committee, and ESG Committee under the Board of Directors to ensure efficient decision-making and enhance management transparency. Each committee reports its deliberation results on its respective areas to the Board of Directors, and the Audit Committee exercises its voting rights independently in accordance with relevant laws.

Committee Composition Status

(As of June 2026)

Category	Composition	Members	Key Roles of the Committee
Audit Committee	3 Independent Directors	Beom Kim(Chairperson), Seong-ook Jung, Nam-soo Kim	• Review matters related to accounting and internal audits • Verify the adequacy and transparency of financial information • Examine the company's business operations and financial status
Finance Committee	2 Executive Directors	Yun-tae Lee(Chairperson), Hyuk-joo Lee	• Review matters delegated or submitted by the Board of Directors and key financial matters • Deliberation on other routine financial matters
ESG Committee	1 Executive Director, 3 Independent Directors	Seong-ook Jung(Chairperson), Yun-tae Lee, Nam-soo Kim Beom Kim	• Review environmental, social, and governance(ESG) management matters • Deliberate and supervise related-party transactions and ESG-related material issues

Ensuring Management Leadership Stability

Establishing a CEO Succession Policy

LX Semicon has established a CEO succession process and candidate development strategy to systematically develop a CEO candidate pool with the requisite expertise and capabilities, thereby ensuring management stability. To this end, the company regularly convenes the Talent Development Committee to review the development status and readiness levels.

Selecting the CEO Candidate Pool

Based on CEO requirements derived from the internal and external operating environment and corporate strategies, LX Semicon selects short-term(1-2 years) and long-term(3-5 years) candidate pools, and regularly evaluates their capabilities, performance, and expertise.

Management Succession Process

During a CEO transition, LX Semicon's company-wide Talent Development Committee and support departments vet the candidate pool to select a final nominee, who is then proposed to the Board of Directors. The Board evaluates whether the nominee can embody the company's core values and vision while serving the best interests of the business and its shareholders, officially confirming them as the final candidate for executive director. Once elected as an executive director at the general meeting of shareholders, the candidate undergoes final review by the Board before being officially appointed as CEO, thereby concluding the management succession process.

Training for the CEO Candidate Pool

LX Semicon supports capacity building for the candidate pool through one-on-one development interviews with the CEO and customized individual programs. To this end, the company provides various development programs, such as job rotation and expert coaching, to cultivate a CEO candidate pool equipped with the competencies required for LX Semicon's management.

Board of Directors

Board of Directors Support Organization

At LX Semicon, the Legal & ESG Office serves as the secretariat for the Board of Directors to ensure that the Board of Directors and independent directors effectively perform their management oversight functions. The Legal & ESG Office supports smooth decision-making by managing agendas of the Board of Directors, assisting with meeting operations, and communicating with Independent Directors, while providing the administrative and procedural support required for overall operations of the Board.

Role of the Board of Directors Support Organization

Department	Key Roles
Legal & ESG Office	• Managing agendas of the Board of Directors and communicating with Independent Directors • Supporting requests and performing tasks necessary for Independent Directors to fulfill their duties • Organizing workshops and training seminars for Independent Directors and managing schedules

Board of Directors Training

LX Semicon operates training programs for the Board of Directors and committees to enable them to oversee the company's management strategy and major risks. The training in 2025 involved relevant departments and external expert organizations, covering topics such as internal controls, major ESG issues, and the roles and legal responsibilities of directors.

Board of Directors Training and Workshop Status

Category	Date	Relevant Departments and External Organizations	Independent Directors Participated	Details
Training (2 sessions)	2025.04.18	Deloitte Anjin LLC	Seong-ook Jung, Nam-soo Kim, Beom Kim	• ESG trends and key issues(disclosure, carbon neutrality, etc.)
	2025.04.25	Legal Team	Seong-ook Jung, Nam-soo Kim, Beom Kim, Sang-beom Han	• Directors' roles and legal responsibilities
Workshops (4 sessions)	2025.01.22	Legal Team, Ethics Bureau	Kyeong-woo Wee*, Seong-ook Jung, Nam-soo Kim	• Report on the performance and plans of the internal audit department
	2025.02.28	Legal Team, Ethics Bureau	Kyeong-woo Wee, Seong-ook Jung, Nam-soo Kim	• Evaluation of the operation status of the internal accounting management system • Review of the operation status of internal control mechanisms • Review of the Audit Committee's audit report
	2025.07.24	Legal Team, Ethics Bureau	Seong-ook Jung, Nam-soo Kim, Beom Kim	• Plan for reviewing the operational status of the internal accounting management system • Internal audit department performance report and plan for the second half
	2025.11.04	Samil PwC	Seong-ook Jung, Nam-soo Kim, Beom Kim	• Recent trends in the internal accounting management system

* Independent Director Kyeong-woo Wee retired upon the expiration of their term in 2025, and was in office at the time of the workshop.

Risk Management

Board of Directors Evaluation

LX Semicon conducts self-assessments when reappointing independent directors to evaluate whether the Board of Directors is fulfilling its roles and responsibilities. The evaluation is based on attendance, contribution, independence, and expertise, serving as the primary basis for reappointment decisions. Furthermore, the company shares external governance evaluation results with the Board of Directors, including those from KCGS(Korea Institute of Corporate Governance and Sustainability), and reviews necessary improvements for reappointment decisions and board operations.

Board of Directors Remuneration

The remuneration for LX Semicon's executive directors consists of a base salary and performance pay. The performance pay is a special bonus system under the executive compensation regulations, determined by the resolution of the Board of Directors. Performance evaluations comprehensively reflect quantitative and qualitative indicators related to management performance, including financial results and the execution of core tasks. The remuneration limit for all directors is approved at the general shareholders' meeting, ensuring transparency and appropriateness in the compensation decision process.

Directors' Liability and Liability Exemption

LX Semicon maintains Directors and Officers(D&O) liability insurance to enable directors to make independent and responsible decisions. Furthermore, the company stipulates provisions regarding the reduction and exemption of directors' liability in its Articles of Incorporation, defining their legal liability within the scope permitted by law. Through these measures, the company supports management activities based on responsible decision-making by its directors.

Prevention of Conflicts of Interest within the Board of Directors

To prevent conflicts of interest among the Board of Directors, LX Semicon manages related matters in accordance with Article 397-2 of the Korean Commercial Act and the Board regulations. If a director intends to use a business opportunity that could benefit the company for their own or a third party's benefit, they must obtain prior approval from the Board of Directors. The agenda is resolved by the affirmative vote of at least two-thirds of the directors, excluding the director in question. Directors with a conflict of interest regarding the agenda do not participate in the deliberation and voting.

Related-Party Transactions and Self-Dealing Controls

LX Semicon manages related-party transactions and self-dealing between directors and the company as matters requiring approval from the Board of Directors in accordance with Article 398 of the Korean Commercial Act and the Board regulations. Agendas related to related-party transactions and self-dealing undergo preliminary deliberation by the ESG Committee, if necessary, before final deliberation and approval by the Board of Directors. Through this, the company ensures the fairness and transparency of transactions.

Board of Directors

Board of Directors Activities

As a rule, LX Semicon holds regular Board of Directors meetings at least once a quarter. In 2025, the company held seven Board of Directors meetings to deliberate and discuss approval and reporting agenda items concerning overall management, including financial performance, internal accounting, related-party transactions, and ESG(Environmental, Social, Governance).

Board of Directors Activities

Category	Subcategory	Unit	2023	2024	2025
Board of Directors Meetings Held		Times	6	6	7
Board of Directors Agenda Deliberation	Approved	Cases	18	15	17
	Reported	Cases	14	13	13
Board of Directors Attendance Rate	Executive Directors	%	94	83	100
	Independent Directors	%	100	100	100
	Other Non-Executive Directors	%	100	100	100
	Total	%	97	95	100

Committee Activities

LX Semicon conducts preliminary reviews of major agenda items requiring expertise through committees under the Board of Directors. Each committee(Audit, Finance, and ESG) reviews and discusses relevant agenda items, then reports or submits the results to the Board to support informed decision-making.

Audit Committee Activities*

Category	Subcategory	Unit	2023	2024	2025
Audit Committee Meetings Held		Times	6	5	6
Audit Committee Agenda Deliberation	Approved	Cases	7	7	8
	Reported	Cases	8	10	12
Audit Committee Attendance Rate**	Independent Directors	%	100	100	100
	Total	%	100	100	100

* The reporting period is based on each fiscal year.
** The attendance rate is calculated based on individual attendance relative to the total number of committee meetings held during the year.

Metrics & Target

ESG Committee Activities*

Category	Subcategory	Unit	2023	2024	2025
ESG Committee Meetings Held		Times	3	2	3
ESG Committee Agenda Deliberation	Approved	Cases	4	4	5
	Reported	Cases	5	4	5
ESG Committee Attendance Rate**	Executive Directors	%	67	100	100
	Independent Directors	%	100	100	100
	Total	%	92	100	100

* The reporting period is based on each fiscal year.
** The attendance rate is calculated based on individual attendance relative to the total number of committee meetings held during the year.

Finance Committee Activities*

Category	Subcategory	Unit	2023	2024	2025
Finance Committee Meetings Held		Times	4	2	3
Finance Committee Agenda Deliberation	Approved	Cases	4	4	3
	Reported	Cases	-	-	-
Finance Committee Attendance Rate**	Executive Directors	%	100	100	100
	Total	%	100	100	100

* The reporting period is based on each fiscal year.
** The attendance rate is calculated based on individual attendance relative to the total number of committee meetings held during the year.

Ethics Management

Governance

Jeong-Do Management Governance

LX Semicon recognizes Jeong-Do management(LX Group's principle of ethical and integrity-based management) and responsible decision-making as core elements of sustainability management and has established a Jeong-Do management system to manage them systematically. The CEO oversees Jeong-Do Management, while the Management Diagnosis & Improvement Department, reporting directly to the CEO, handles company-wide activities including training, inspections, risk management, and improvements.

Jeong-Do Management System

Category	Role
CEO	• Oversees Jeong-Do Management
Head of Management	• Manages and supervises Jeong-Do Management
Dedicated Department	• Management Diagnosis·Improvement Department - Business Competitiveness Diagnosis - Strengthening Operational Excellence
	• Ethics Bureau - Company-wide Jeong-Do Management Training and Communication - Investigation and Correction of Illegal and Unfair Practices(Whistleblower Investigations) - Strengthening Jeong-Do Management Infrastructure

Anti-Corruption Monitoring and Reporting

LX Semicon reviews the internal audit department's anti-corruption plans and previous year's performance annually through the Audit Committee to monitor the implementation of anti-corruption activities. To prevent acts such as bribery, embezzlement, breach of trust, and the acceptance of money or valuables where individuals exploit their professional positions to gain or provide unfair advantages, the company reports on major corruption incidents and evaluates its response performance. Furthermore, it establishes and reports plans to enhance its response and monitoring of whistleblowing reports at the beginning of each year.

Strategy

Jeong-Do Management Implementation Strategy

LX Semicon establishes Jeong-Do Management as the fundamental principle of all business activities and a core element of its mid-to-long-term management strategy. Instead of prioritizing short-term performance, the company applies responsible judgment and fairness built on honesty and trust as the standard for its business operations. Furthermore, the company defines honesty, fair treatment, and fair competition based on merit as the core principles of Jeong-Do management, ensuring these principles are applied across all management decisions, business relationships, and overall operations. To ensure Jeong-Do management serves as a practical standard for decision-making rather than a mere declaration, the company continuously reviews related norms and standards in response to the changing business environment.

Core Principles of Jeong-Do Management

1. Honesty: Work transparently according to our principles and standards.
2. Fair Treatment: Provide equal opportunities and fair treatment in all business contexts.
3. Fair Competition based on competence: Develop the competence to compete and win fairly

LX Code of Ethics

LX Semicon complies with the LX Code of Ethics, established at the LX Group level, to clarify the ethical behavioral standards that executives and employees must observe while performing their duties. The Code of Ethics consists of basic principles and specific implementation guidelines, and it is revised when social demands arise or changes are necessary. All executives and employees of LX Semicon understand their roles and responsibilities through the implementation guidelines of the Code of Ethics and perform their duties in accordance with relevant regulations and standards.

Overview of the LX Code of Ethics

1. Responsibility and Obligation to Customers(Respect for Customers, Creating Value, Providing Value)
2. Fair Competition(Pursuing Free Competition, Complying with Laws and Regulations)
3. Fair Transactions(Equal Opportunity, Fair Transaction Process, Pursuing Mutual Growth)
4. Basic Ethics of Employees(Basic Ethics of Employees, Accomplishing Missions, Self-Development, Fair handling of Job, Avoiding Conflict of Interests with the Company)
5. Corporate Responsibility for Employees(Respecting Humanity, Fair Treatment, Promoting Creativity)
6. Responsibilities to the Environment, Society, and Shareholders(Protecting Environment, Compliance with social responsibility, Protecting the interests of shareholders)

Ethics Management

Jeong-Do Management Training and Culture Enhancement

LX Semicon conducts regular Jeong-Do management training for all executives and employees to strengthen ethical awareness and a culture of responsibility within the organization. The training is conducted both online and offline, covering topics necessary for employees to comply with the Code of Ethics and prevent sexual harassment and workplace bullying. Additionally, the company regularly publishes a Jeong-Do management newsletter to support the natural integration of the Jeong-Do Management culture into daily tasks.

Bribery Reporting System

LX Semicon strictly prohibits executives and employees from accepting money, valuables, or entertainment from stakeholders. The company also forbids the receipt of any personal gifts, including those for family events. If executives and employees unavoidably receive money, gifts, or cash gifts for family events, they must report the incident to the ethics bureau through the gift reporting system and return the items. Reports are handled in accordance with the principles of confidentiality and whistleblower protection. The company verifies the facts of reported cases based on internal standards and takes necessary measures. If returning the items is not possible, they are sold through an internal auction, and the proceeds are donated to social welfare organizations.

Pledge to Comply with Anti-corruption Laws

To strengthen its company-wide commitment to anti-corruption, LX Semicon requires all domestic and overseas executives and employees, including the CEO, to sign and submit an anti-corruption compliance pledge annually. The pledge is also provided in English and Chinese for overseas executives and employees, ensuring the application of consistent ethical standards across all domestic and overseas business sites.

CEO's Commitment to Jeong-Do Management

LX Semicon disseminates CEO messages on Jeong-Do Management to all employees to reinforce top management's responsibility and commitment to Jeong-Do Management throughout the organization. Through this, LX Semicon communicates the core principles of Jeong-Do Management to its employees and ensures the application of consistent management standards company-wide.

Risk Management

Reporting Channels

LX Semicon operates online and offline reporting channels to promptly identify and address any unfair practices or issues that may arise during business operations. Online reports are received via the internal portal and the 'Ethics Hotline', which is accessible to external stakeholders. Offline reports can be submitted through various channels, including in-person visits to the ethics bureau, mail, phone, and email. The company investigates submitted reports in accordance with established procedures and verifies the allegations based on objective evidence. Upon completion of the investigation, the company implements disciplinary actions or improvement measures through a fair process. The status of reports and the results of subsequent actions are reported to the Audit Committee.

Channels

Category	Details
Ethics Hotline	• Online: Operates the Ethics Hotline on the company website
Reporting to the Ethics Bureau	• Offline: Reports can be submitted via in-person visits, mail, email, and phone

Anti-corruption Risk Management

LX Semicon recognizes that major risks that undermine Jeong-Do Management, such as misconduct, conflicts of interest, bribery, and unfair trade practices, can affect corporate trust and sustainability. To address this, the company operates procedures to manage Jeong-Do management risks through prevention, early detection, and rapid response. As part of its internal control activities linked to ethical management, the company reviews its internal accounting management system to mitigate financial fraud risks. Together with compliance risk assessments, this serves to strengthen the overall anti-corruption management system. In 2025, the company conducted compliance risk assessments at three major domestic business sites out of its 14 global business sites. By analyzing the impact level and likelihood, the company prioritized risks by severity; the results identified no major corruption-related risks.

Ethics Management

Metrics & Target

Anti-corruption Compliance Pledge Participation Rate

Category	Unit	2023	2024	2025
Pledge Participation Rate	%	100	100	100

LX Code of Ethics Application and Pledge Participation Status

Category		Unit	2023	2024	2025
LX Code of Ethics Application Rate	Employees	%	100	100	100
	Contractors/Suppliers/Service Providers	%	100	100	100
Pledge Participation Rate (Based on signatures)	Employees	%	100	100	100
	Contractors/Suppliers/Service Providers	%	100	100	100

Jeong-Do Management Training Status

Category		Unit	2023	2024	2025
Jeong-Do Management Training Status*	Training Hours	Hours	2,212	2,180	2,327
	Number of Employees Trained	Persons	1,474	1,453	1,491

* Jeong-Do Management Training is conducted for domestic and overseas subsidiaries on a consolidated basis.

Jeong-Do Management Violation Reports and Disciplinary Actions

Category		Unit	2023	2024	2025
Code of Ethics Violations	Number of Cases	Cases	3	2	1
	Headcount	Persons	3	2	1
Disciplinary Actions for Code of Ethics Violations	Dismissal	Persons	0	0	0
	Dismissal for Misconduct	Persons	0	0	0
	Disciplinary Suspension	Persons	1	1	0
	Disciplinary Probation	Persons	2	1	0
	Written Reprimand	Persons	0	0	0
	Others(Recommended Resignation)	Persons	0	0	1

Compliance

Governance

Compliance Governance

LX Semicon has appointed a compliance officer and operates a compliance management system to strengthen company-wide compliance. The compliance officer regularly reports compliance activities and inspection results to the Board of Directors and its committees to support BOD-level oversight. This reporting system operates through the Board of Directors discussions on compliance risk management and key agenda items. Additionally, the compliance officer collaborates with relevant departments to support necessary compliance activities across major business areas.

Organizational Structure

Category	Role
Board of Directors	• The highest decision-making body for compliance-related matters • The BOD(Board of Directors) grants final approval for related-party transactions following a preliminary review by the ESG Committee
CEO	• Manages and supervises company-wide compliance
Compliance Officer	• Inspects adherence to compliance control standards and reports the results to the BOD(Board of Directors) • Reviews and reports on the establishment and implementation of the annual compliance plan • Monitor, supervise, and report on the overall compliance system
Responsible Departments	• Establish and implement annual compliance activity plans • Plan and operate compliance training programs • Identify and evaluate company-wide compliance risks • Designate and manage compliance representatives by department • Execute and manage practical compliance operations
Relevant Departments	• Review compliance risks by department • Implement corrective measures based on review results and manage outcomes

Strategy

Compliance Management Direction

LX Semicon integrates compliance as a fundamental management element across all business activities. The core direction of compliance management focuses on proactively identifying and minimizing legal and regulatory risks during business operations. Recognizing the importance of establishing a fair trade order, the company prioritizes voluntary compliance with fair trade laws and regulations. To support this, LX Semicon operates the Fair Trade Compliance Manual, which outline the standards and principles that executives and employees must follow during business transactions and activities. The company continuously reviews and updates relevant standards to ensure these compliance principles are fully integrated into management decisions and business operations.

Fair Trade Compliance Manual

Category	Details
Article 1 (Scope of Application)	• Applies to all business activities of domestic and overseas executives and employees to ensure compliance with fair trade laws
Article 2 (Objective)	• Prevent legal liabilities for the company and its executives and employees arising from violations of fair trade laws • Establish standards of conduct for executives and employees regarding fair trade
Article 3 (Basic Principles)	• Clearly understand and comply with fair trade guidelines • Prevent sanctions and damage to the corporate image resulting from violations of fair trade laws
Article 4 (Duties of Organizational Leaders)	• Support and manage team members' compliance with the manual • Take action in collaboration with the responsible department when related issues arise or investigations by competition authorities are expected
Article 5 (Liability for Violating Operational Guidelines)	• Take disciplinary action in accordance with HR regulations for violations of the manual • Prohibit retaliation against executives and employees who report violations of operational guidelines

Enhancing Employee Compliance Awareness

LX Semicon distributes compliance guidelines and shares relevant information through internal bulletin boards to ensure employees remain aware of compliance standards and key precautions during their daily work. This supports employees in proactively recognizing potential legal and regulatory violations and applying compliance standards to their tasks. To enhance legal awareness of fair trade laws and subcontracting laws, the company conducted mandatory training for 1,379 domestic executives and employees in the first half of 2026. All target personnel, excluding those on leave or who have resigned, completed the training.

Compliance

Risk Management

Compliance Risk Management Direction

LX Semicon regularly conducts self-assessments of compliance risks by department to proactively identify and evaluate risk levels. For key risks identified through these assessments, the company implements follow-up measures, such as training and inspections. It then reports the results to management to ensure systematic follow-up actions. In particular, the company strengthens preventive measures in areas with a high risk of legal violations. LX Semicon raises awareness among executives and employees by distributing compliance materials that outline precautions and behavioral standards for major risks, such as the leakage and illegal acquisition of trade secrets and insider trading. Furthermore, to prevent risks during transactions with suppliers, the company provides guidance on precautions for requesting technical data and the roles of managers. Through these activities, LX Semicon proactively identifies and manages compliance risks while implementing measures to minimize the potential for legal violations.

Compliance Risk Pool Management

To systematically manage compliance risks that may arise throughout its business activities, LX Semicon identifies key risk areas and defines them as target risks for management. Key compliance risks include areas with a high probability of violating laws and regulations, such as fair trade, protection of trade secrets, insider trading, and personal information protection. Based on this risk pool, the company continuously reviews its management scope and key management areas in consideration of its business characteristics and changes in the business environment.

Compliance Risk Pool

Risk Category	Risk Definition
Fair Trade	Unfair trade, collusion, abuse of dominant position
Trade Secret Protection	Leakage and misappropriation of trade secrets
Insider Trading	Trading using undisclosed information
Personal Information Protection	Misuse, abuse, and leakage of personal information
Supplier Transactions	Unfair demands for technical data and transaction risks

Compliance Risk Management and Evaluation

LX Semicon operates a departmental risk management and evaluation process based on a defined compliance risk pool. Each department identifies and assesses risks through regular self-assessments and implements follow-up measures for major risks, such as conducting training, performing inspections, and distributing materials. The risk assessment results and follow-up measures are reported to management, enabling the systematic review and management of compliance risks. Furthermore, the company ensures stable business operations by proactively identifying and addressing potential legal and regulatory violations.

Compliance Risk Management and Evaluation Process

1. Compliance Risk Identification	• Identify key risks with potential for regulatory violations
2. Departmental Assessments	• Assess and rate risks • Select key risk management areas
3. Compliance Risk Response	• Compliance training activities • Compliance inspection activities
4. Reporting and Feedback	• Reporting training and inspection results to management • Updating compliance risks

Compliance

Metrics & Target

Board of Directors Compliance Training

Category		Unit	2023	2024	2025
Board of Directors	Number of Board Members Targeted	Persons	3	4	4
	Number of Board Members Trained	Persons	3	4	4

Advanced Compliance Training for Executives and Employees

Category		Unit	2023	2024	2025*
Fair trade training	Target Headcount	Persons	400	30	472
	Completed Headcount	Persons	313	30	417

* In 2025, the company conducted separate training on "U.S. Sanctions Against China and Response Strategies for Domestic Companies" for executives and employees in the Sales, Procurement, Quality, and Strategy departments, as well as overseas subsidiaries.

Number of Regulatory Violations

Category	Unit	2023	2024	2025
Number of regulatory violations	Cases	0	0	0

APPENDIX

Financial Position

Consolidated Statements of Financial Position

(Unit: KRW million)

Category	2023	2024	2025
Current Assets	902,886	1,124,303	1,062,106
Cash and Cash Equivalents	184,417	238,813	178,169
Short-term Deposits, not Classified as Cash Equivalents	120,514	160,000	270,433
Trade Current Receivables	204,969	448,799	354,753
Other Current Receivables	3,419	5,316	5,843
Other Current Assets	53,676	59,935	57,148
Other Current Financial Assets	0	0	2,460
Current Inventories	335,891	211,440	193,301
Non-Current Assets	302,179	375,499	337,738
Other Non-Current Receivables	12,769	9,483	8,092
Investments in Associates and Joint Ventures	47,935	47,625	49,874
Property, Plant and Equipment	104,428	111,129	112,616
Right-of-Use Assets	21,512	37,621	32,071
Intangible Assets	73,937	84,392	81,730
Other Non-Current Assets	8,994	52,660	19,925
Other Non-Current Financial Assets	0	0	6,000
Net Defined Benefit Assets	9,690	5,795	8,322
Deferred Tax Assets	22,915	26,795	19,107
Total Assets	1,205,065	1,499,802	1,399,843
Current Liabilities	207,337	351,838	240,341
Current Trade Payables	97,601	153,444	114,090
Other Current Payables	44,464	102,576	77,432
Other Current Liabilities	32,386	50,866	28,845
Other Current Financial Liabilities	0	13,643	1,819
Current Lease Liabilities	7,643	9,882	8,192
Current Tax Liabilities	25,242	21,427	9,965

Category	2023	2024	2025
Non-Current Liabilities	20,964	68,377	33,895
Other Non-Current Payables	1,825	34,506	2,610
Other Non-Current Liabilities	5,658	6,624	6,991
Non-Current Lease Liabilities	13,481	27,245	24,293
Deferred Tax Liabilities	0	2	2
Total Liabilities	228,301	420,215	274,237
Equity Attributable to Owners of Parent	976,764	1,079,587	1,125,607
Issued Capital	8,132	8,132	8,132
Capital Surplus	76,343	76,343	76,343
Other Elements Of Stockholder's Equity	-1,073	152	-244
Retained Earnings	893,361	994,960	1,041,375
Non-Controlling Interests	0	0	0
Total Equity	976,764	1,079,587	1,125,607
Total Liabilities and Equity	1,205,065	1,499,802	1,399,843

Financial Position

Consolidated Income Statement

(Unit: KRW million)

Category	2023	2024	2025
Revenue	1,901,445	1,865,622	1,639,071
Cost of Sales	1,367,468	1,249,744	1,115,880
Gross Profit	533,977	615,877	523,190
Selling and Administrative Expenses	404,941	448,801	414,334
Operating Profit	129,036	167,077	108,856
Finance Income	12,986	19,738	26,898
Finance Costs	24,998	33,788	17,269
Other Non-Operating Income	31,253	43,259	27,408
Other Non-Operating Expenses	24,993	28,231	36,894
Share of profit(loss) of Associates and Joint Ventures Accounted for Using Equity Method	3,003	-59	-2,063
Profit Before Income Tax	126,287	167,996	106,935
Income Tax Expense	25,083	37,487	24,302
Profit(Loss)	101,204	130,509	82,633
Profit(Loss), Attributable to			
Profit(Loss), Attributable to Owners of Parent	101,204	130,509	82,633
Profit(Loss), Attributable to Non-controlling Interests	0	0	0
Earnings per Share			
Basic Earnings(Loss) per Share(Unit: KRW)*	6,222	8,024	5,081
Diluted Earnings(Loss) per Share(Unit: KRW)*	6,222	8,024	5,081

* Basic Earnings per Share, Diluted Earnings per Share(Unit: KRW)

Consolidated Statements of Comprehensive Income

(Unit: KRW million)

Category	2023	2024	2025
Profit(Loss)	101,204	130,509	82,633
Other Comprehensive Income	-1,611	1,589	2,421
Items that will not be reclassified subsequently to profit or loss	-1,149	187	2,355
Remeasurements of Defined Benefit Plans	-1,320	365	2,816
Share of other comprehensive income of associates and joint ventures accounted for using equity method that will not be reclassified to profit or loss, net of tax	171	-177	-462
Items that may be reclassified subsequently to profit or loss	-462	1,402	67
Exchange differences on translation of foreign operations	-79	1,093	122
Share of other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss, net of tax	-383	309	-55
Comprehensive Income	99,592	132,099	85,054
Comprehensive Income Attributable to			
Comprehensive Income, Attributable to Owners of Parent	99,592	132,099	85,054
Comprehensive Income, Attributable to Non-Controlling Interests	0	0	0

ESG Data

GHG Emissions*

Category		Unit	2023			2024			2025		
			Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Scope 1 & 2	Total Scope 1 & 2 Emissions	tCO_2eq	7,130	-	7,130	7,496	-	7,496	7,120	195	7,315
	Total Scope 1 Emissions	tCO_2eq	1,067	-	1,067	1,027	-	1,027	1,105	123	1,227
	Total Scope 2 Emissions	tCO_2eq	6,063	-	6,063	6,469	-	6,469	6,019	73	6,092
	Scope 1 & 2 Intensity	tCO_2eq/ KRW 100 million	0.38	-	0.38	0.41	-	0.41	-	-	0.45
	Scope 1 & 2 Reductions	tCO_2eq	-	-	-	-	-	-	5.66		5.66
Scope 3	Total Scope 3	tCO_2eq	-	-	-	-	-	-	389,109	438	389,547
	Category 1. Purchased Goods and Services	tCO_2eq	-	-	-	-	-	-	382,294	-	382,294
	Category 2. Capital Goods	tCO_2eq	-	-	-	-	-	-	2,380	197	2,577
	Category 3. Fuel- and Energy-Related Activities	tCO_2eq	-	-	-	-	-	-	1,485	42	1,527
	Category 4. Upstream Transportation and Distribution	tCO_2eq	-	-	-	-	-	-	1,654	-	1,654
	Category 5. Waste Generated in Operations	tCO_2eq	-	-	-	-	-	-	264	-	264
	Category 6. Business Travel	tCO_2eq	-	-	-	-	-	-	843	199	1,042
	Category 7. Employee Commuting	tCO_2eq	-	-	-	-	-	-	17	-	17
	Category 15. Investments	tCO_2eq	-	-	-	-	-	-	172	-	172

* 2025 emissions are calculated on a consolidated basis, covering domestic business sites (Daejeon, Gangnam, Yangjae, Yangjae Geon Building, and Siheung) and overseas business sites (subsidiaries in the U.S., Japan, Taiwan, and China, and the India branch). Totals may differ slightly from the sum of individual items due to rounding by business site. Overseas GHG emissions have been calculated and undergone third-party verification since 2025.

ESG Data

Energy Consumption(TJ)

Category		Unit	2023			2024			2025		
			Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Total Energy Consumption		TJ	146.17	1.86	148.03	155.32	2.20	157.52	152.88	2.90	155.78
Non-renewable Energy	Subtotal	TJ	146.13	1.86	147.99	154.85	2.20	157.05	152.41	2.90	155.31
	Gasoline	TJ	3.23	1.20	4.43	1.79	1.25	3.04	1.62	1.81	3.43
	Diesel	TJ	-	-	-	0.03	-	0.03	0.10	-	0.10
	City Gas(LNG)	TJ	16.20	-	16.20	17.84	-	17.84	19.47	-	19.47
	Electricity(Based on Consumption)	TJ	126.70	0.66	127.36	135.19	0.95	136.14	131.22	0.93	132.15
	Steam	TJ	-	-	-	-	-	-	-	0.16	0.16
Renewable Energy(Solar)	Subtotal	TJ	0.04	-	0.04	0.47	-	0.47	0.47	-	0.47
	Power Generation	TJ	0.04	-	0.04	0.47	-	0.47	0.47	-	0.47
	Consumption	TJ	0.04	-	0.04	0.47	-	0.47	0.47	-	0.47
General Grid Power Ratio		%	99.97	100	-	99.7	100	-	99.7	100	-
Renewable Energy Ratio		%	0.03	0	-	0.3	0	-	0.3	0	-
Energy Intensity(per unit)		TJ/KRW 100 million	-	-	0.01	-	-	0.01	-	-	0.01
Energy Savings*		GJ	-	-	-	-	-	-	1.25	-	1.25

*Replaced gas stoves with induction cooktops in the company cafeteria to improve the cafeteria environment and save energy (Nov. 2025)

Energy Consumption(MWh)

Category		Unit	2023			2024			2025		
			Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Total Energy Consumption		MWh	18,709.17	70.21	18,779.37	19,619.91	97.06	19,716.97	19,625.84	648.49	20,274.33
Non-renewable Energy	Subtotal	MWh	18,698.13	70.21	18,768.34	19,489.29	97.06	19,586.34	19,496.63	648.49	20,145.12
	Gasoline	MWh	891.07	19.01	910.09	493.23	21.21	514.44	447.31	346.37	793.68
	Diesel	MWh	-	-	-	8.58	-	8.58	27.20	-	27.20
	City Gas(LNG)	MWh	4,609.58	-	4,609.58	4,905.44		4,905.44	5,353.76	-	5,353.76
	Electricity(Based on Consumption)	MWh	13,197.48	51.19	13,248.68	14,082.04	75.84	14,157.88	13,668.37	258.75	13,927.12
	Steam	MWh	-	-	-	-	-	-	-	43.37	43.37
Renewable Energy (Solar Power)	Subtotal	MWh	11.03	-	11.03	130.62	-	130.62	129.21	-	129.21
	Power Generation	MWh	11.03	-	11.03	130.62	-	130.62	129.21	-	129.21
	Consumption	MWh	11.03	-	11.03	130.62	-	130.62	129.21	-	129.21

ESG Data

Employee Status

Category			Unit	2023	2024	2025
Total No. of Employees*	Total		Persons	1,661	1,590	1,540
	Total (%)	Domestic	%	93	92	92
		Overseas	%	7	8	8
	Domestic	Total	Persons	1,543	1,460	1,417
		Male	Persons	1,250	1,187	1,146
		Female	Persons	293	273	271
	Overseas	Total	Persons	118	130	123
		Male	Persons	93	104	96
		Female	Persons	25	26	27
Regular Employees	Total		Persons	1,608	1,521	1,475
	Domestic	Total	Persons	1,493	1,396	1,355
		Male	Persons	1,217	1,141	1,105
		Female	Persons	276	255	250
	Overseas	Total	Persons	115	125	120
		Male	Persons	90	99	93
		Female	Persons	25	26	27
Contract Employees (Non-regular)**	Total		Persons	53	69	65
	Domestic	Total	Persons	50	64	62
		Male	Persons	33	46	41
		Female	Persons	17	18	21
	Overseas	Total	Persons	3	5	3
		Male	Persons	3	5	3
		Female	Persons	0	0	0

※ Scope of data collection for overseas business sites: U.S., China, Japan, and Taiwan subsidiaries
** Contract Employees(Non-regular): Perform tasks such as administrative support

Category			Unit	2023	2024	2025
Total			Persons	1,661	1,590	1,540
By Age*	Domestic	Under 30	Persons	387	321	231
		30 to under 50	Persons	1,034	991	1,024
		50 and over	Persons	122	148	162
	Overseas	Under 30	Persons	18	18	7
		30 to under 50	Persons	83	91	97
		50 and over	Persons	17	21	19
By Age (%)	Domestic	Under 30	%	25	22	16
		30 to under 50	%	67	68	72
		50 and over	%	8	10	11
	Overseas	Under 30	%	15	14	6
		30 to under 50	%	70	70	79
		50 and over	%	14	16	15

Employee Diversity

Category		Unit	2023	2024	2025
Ratio (Domestic)	Persons with Disabilities*	%	3	3	3
	Merit Patriots	%	0.3	0.1	0.1
Ratio (All Business Sites)	Foreign Nationals	%	6	7	7

* Based on reports to the Korea Employment Agency for Persons with Disabilities

ESG Data

Female Employees by Key Positions and Divisions

Category			Unit	2023	2024	2025
Female Employees Ratio	Overall	Total	%	19	19	19
		Domestic	%	19	19	19
		Overseas	%	21	20	22
	Female Managers	Total	%	5	5	6
		Domestic	%	5	5	7
		Overseas	%	0	0	0
	Female Executives	Total	%	6	6	6
		Domestic	%	6	6	6
		Overseas	%	0	0	0
	Revenue-Generating Departments	Total	%	26	24	23
		Domestic	%	27	24	23
		Overseas	%	24	24	24
	STEM* Departments	Total	%	15	14	15
		Domestic	%	15	15	16
		Overseas	%	7	8	8

* STEM: Science, Technology, Engineering and Mathematics

Parental Leave

Category		Unit	2023	2024	2025
Total Number of Employees Eligible for Parental Leave	Male	Persons	346	316	306
	Female	Persons	32	32	38
Total Number of Employees Who Used Parental Leave	Male	Persons	12	11	20
	Female	Persons	6	12	13
Total Number of Employees Who Returned to Work After Parental Leave	Male	Persons	11	8	21
	Female	Persons	9	6	16
Total Number of Employees Who Remained Employed for 12 Months After Returning from Parental Leave	Male	Persons	3	11	7
	Female	Persons	4	8	5
Return-to-Work Rate After Parental Leave	Male	%	79	80	100
	Female	%	100	100	100
Retention Rate 12 Months After Returning from Parental Leave	Male	%	100	100	88
	Female	%	100	89	83

Company-wide Training Status

Category	Unit	2023	2024	2025
Total training hours	Hours	64,925	67,926	74,573
Total training expenses	KRW 100 million	20**	18	17
Training hours per employee	Hours	42	47	53*
Training investment per employee	KRW1,000	1,265**	1,217	1,229*

* Based on 1,417 domestic employees
** Figures revised to reflect criteria such as headcount aggregation and exclusion of deduction amounts

Performance Evaluation

Category		Unit	2023	2024	2025
Percentage of employees subject to regular performance evaluations*		%	100	100	100
Ratio by Age	Under 30	%	26	20	16
	Aged 30 to Under 50	%	67	70	73
	Aged 50 and over	%	7	10	11

* Regular performance evaluations include job competency evaluations and apply to all executives and employees(regular employees, contract workers, and executives), excluding those with less than six months of service and dispatched personnel.

Compensation*

Category		Unit	2023	2024	2025
Salary	Average Employee Salary	KRW million	92	103	98
	Male	KRW million	98	110	104
	Female	KRW million	67	76	71
Gender Pay Ratio	All employees	Times	0.69	0.69	0.68
	Management	Times	1.01	0.93	0.88
	Non-Management	Times	0.73	0.73	0.73
	Executives	Times	0.68	0.70	0.69

* These figures represent the average compensation comparison based on workforce composition, not a direct comparison of equal pay for equal work, and may be influenced by factors such as job grade, years of service, and job characteristics.

ESG Data

New Employment*

Category			Unit	2023	2024	2025
Overall	Total		Persons	127	147	97
	Domestic		Persons	108	124	77
	Overseas		Persons	19	23	20
By Gender	Total	Male	Persons	100	123	60
		Female	Persons	27	24	37
	Domestic	Male	Persons	86	103	52
		Female	Persons	22	21	25
	Overseas	Male	Persons	14	20	8
		Female	Persons	5	3	12
By Gender (%)	Total	Male	%	79	84	62
		Female	%	21	16	38
	Domestic	Male	%	80	83	68
		Female	%	20	17	32
	Overseas	Male	%	74	87	40
		Female	%	26	13	60

* Scope of overseas data collection: U.S., China, Japan, and Taiwan subsidiaries; dispatched employees are excluded(only locally hired employees are counted for new employment).

Category			Unit	2023	2024	2025
By Age	Total	20s	Persons	44	64	42
		30s	Persons	47	57	36
		40s	Persons	23	15	13
		50s and over	Persons	13	11	6
	Domestic	20s	Persons	41	55	35
		30s	Persons	43	49	29
		40s	Persons	18	12	11
		50s and over	Persons	6	8	2
	Overseas	20s	Persons	3	9	7
		30s	Persons	4	8	7
		40s	Persons	5	3	2
		50s and over	Persons	7	3	4
By Age (Ratio)	Total	20s	%	35	44	43
		30s	%	37	39	37
		40s	%	18	10	13
		50s and over	%	10	7	6
	Domestic	20s	%	38	44	45
		30s	%	40	40	38
		40s	%	17	10	14
		50s and over	%	6	6	3
	Overseas	20s	%	16	39	35
		30s	%	21	35	35
		40s	%	26	13	10
		50s and over	%	37	13	20

ESG Data

Voluntary Resignation Status

Category			Unit	2023	2024	2025
Overall	Total		Persons	133	191	99
	Domestic		Persons	126	183	90
	Overseas*		Persons	7	8	9
By Gender	Total	Male	Persons	100	148	70
		Female	Persons	33	43	29
	Domestic	Male	Persons	96	143	67
		Female	Persons	30	40	23
	Overseas	Male	Persons	4	5	3
		Female	Persons	3	3	6
By Gender (Ratio)	Total	Male	%	75	77	71
		Female	%	25	23	29
	Domestic	Male	%	76	78	74
		Female	%	24	22	26
	Overseas	Male	%	57	63	33
		Female	%	43	38	67
By Age	Total	Under 30	Persons	41	55	32
		Ages 30 to under 50	Persons	88	130	60
		Ages 50 and over	Persons	4	6	7
	Domestic	Under 30	Persons	37	53	28
		Ages 30 to under 50	Persons	85	124	55
		Ages 50 and over	Persons	4	6	7
	Overseas	Under 30	Persons	4	2	4
		Ages 30 to under 50	Persons	3	6	5
		Ages 50 and over	Persons	-	-	-
By Age (Ratio)	Total	Under 30	%	31	29	32
		Ages 30 to under 50	%	66	68	61
		Ages 50 and over	%	3	3	7
	Domestic	Under 30	%	29	29	31
		Ages 30 to under 50	%	67	68	61
		Ages 50 and over	%	3	3	8
	Overseas	Under 30	%	57	25	44
		Ages 30 to under 50	%	43	75	56
		Ages 50 and over	%	-	-	-

* Scope of data collection for overseas business sites: U.S., China, Japan, and Taiwan subsidiaries. When calculating overseas headcount, returning dispatched employees are excluded(only includes resignations of locally hired employees).

Resignation Status*

Category			Unit	2023	2024	2025
Overall	Total		Persons	150	227	139
	Domestic		Persons	141	212	122
	Overseas*		Persons	9	15	17
By Gender	Total	Male	Persons	111	179	105
		Female	Persons	39	48	34
	Domestic	Male	Persons	106	168	96
		Female	Persons	35	44	26
	Overseas	Male	Persons	5	11	9
		Female	Persons	4	4	8
By Gender (Ratio)	Total	Male	%	74	79	76
		Female	%	26	21	24
	Domestic	Male	%	75	79	79
		Female	%	25	21	21
	Overseas	Male	%	56	73	53
		Female	%	44	27	47
By Age	Total	Under 30	Persons	47	71	46
		Ages 30 to under 50	Persons	94	145	70
		Ages 50 and over	Persons	9	11	23
	Domestic	Under 30	Persons	42	65	35
		Ages 30 to under 50	Persons	91	137	65
		Ages 50 and over	Persons	8	10	22
	Overseas	Under 30	Persons	5	6	11
		Ages 30 to under 50	Persons	3	8	5
		Ages 50 and over	Persons	1	1	1
By Age (Ratio)	Total	Under 30	%	31	31	33
		Ages 30 to under 50	%	63	64	50
		Ages 50 and over	%	6	5	17
	Domestic	Under 30	%	30	31	29
		Ages 30 to under 50	%	65	65	53
		Ages 50 and over	%	6	5	18
	Overseas	Under 30	%	56	40	65
		Ages 30 to under 50	%	33	53	29
		Ages 50 and over	%	11	7	6

GRI Index

GRI STANDARDS 2021		Remarks
GRI 1: Foundation 2021	Statement of use	LX Semicon has reported its ESG performance and data in accordance with the GRI Standards for the period from January 1, 2025 to December 31, 2025. Some material performance data includes activities up to the first half of 2026.
	GRI 1 used	GRI 1: Foundation 2021
	Applicable GRI Sector Standard(s)	As of the report's publication in June 2026, no applicable GRI Sector Standards have been issued for the company; therefore, none were applied.

GRI STANDARDS 2021		Index	Location	Remarks
GRI 2: General Disclosures 2021	2-1	Organizational details	7,8	
	2-2	Entities Included in the Organization's Sustainability Reporting	3	
	2-3	Reporting Period, Frequency and Contact Point	3	
	2-4	Restatements of Information	21,41,44,61,62,63,64	
	2-5	External Assurance	86, 87, 88, 89	
	2-6	Activities, Value Chain and Other Business Relationships	9	
	2-7	Employees	65,66,Business Report pp.213	
	2-8	Workers Who Are Not Employees	65,Business Report pp.213	
	2-9	Governance Structure and Composition	12,50,51	
	2-10	Nomination and Selection of the Highest Governance Body	50, 51	
	2-11	Chair of the highest governance body	50, 51	
	2-12	Role of the highest governance body in overseeing the management of impacts	12,51	
	2-13	Delegation of responsibility for managing impacts	12,51	
	2-14	Role of the highest governance body in sustainability reporting	12,51	
	2-15	Conflicts of interest	52	
	2-16	Communication of critical concerns	51	
	2-17	Collective knowledge of the highest governance body	50	
	2-18	Evaluation of the performance of the highest governance body	52	
	2-19	Remuneration Policies	52,Business Report pp.214-218	
	2-20	Process to determine remuneration	52,Business Report pp.214-218	
	2-21	Annual total compensation ratio	-	
	2-22	Statement on sustainable development strategy	5	

GRI Index

GRI STANDARDS 2021		Index	Location	Remarks
GRI 2: General Disclosures 2021	2-23	Policy Commitments	18, 29, 33, 36, 40, 46, 50, 54, 57	
	2-24	Embedding Policy Commitments	18, 29, 33, 36, 40, 46, 50, 54, 57	
	2-25	Processes to Remediate Negative Impacts	19, 21, 25, 34, 38, 48, 56	
	2-26	Mechanisms for Seeking Advice and Raising Concerns	33, 35, 37, 38, 40, 56	
	2-27	Compliance with Laws and Regulations	57, 58,59,Business Report pp.223	
	2-28	Membership of Associations	75	
	2-29	Approach to Stakeholder Engagement	15	
	2-30	Collective Bargaining Agreements	-	
Material Topics				
GRI 3: Material Topic Disclosures	3-1	Process to determine material topics	13	
	3-2	List of Material Topics	14	
	3-3	Management of Material Topics	14	
Material Topic 1. Working Conditions of Own Workers				
GRI 401: Employment	401-1	New employee hires and employee turnover	67, 68	
	401-2	Benefits provided to Full-time employees that are not provided to temporary or part-time employees	30	
	401-3	Parental leave	66	
GRI 404: Training and Education	404-1	Average hours of training per year per employee	66	
	404-2	Programs for upgrading employee skills and transition assistance programs	30	
	404-3	Percentage of employees receiving regular performance and career development reviews	66	
Material Topic 2. Climate Change Response and Energy Management				
GRI 201: Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	24, 25	
GRI 302: Energy	302-1	Energy consumption within the organization	64	
	302-2	Energy consumption outside of the organization	64	
	302-3	Energy intensity	64	
	302-4	Reduction of energy consumption	64	
	302-5	Reductions in energy requirements of products and services	-	Not applicable

GRI Index

GRI STANDARDS 2021		Index	Location	Remarks
GRI 305: Emissions	305-1	Direct(Scope 1) GHG emissions	26, 63	
	305-2	Energy indirect(Scope 2) GHG emissions	26, 63	
	305-3	Other indirect(Scope 3) GHG emissions	26, 63	
	305-4	GHG emissions intensity	63	
	305-5	Reduction of GHG emissions	63	
	305-6	Emissions of ozone-depleting substances(ODS)	-	Not applicable
	305-7	Nitrogen oxides(NOx), sulfur oxides(SOx), and other significant air emissions	-	Not applicable
Material Topic 3. Information Security				
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	45	
Material Topic 4. Occupational Safety and Health				
GRI 403: Occupational Health and Safety	403-1	Occupational Health and Safety Management System	36	
	403-2	Hazard Identification, Risk Assessment, and Incident Investigation	37, 38	
	403-3	Occupational Health Services	36	
	403-4	Worker participation, consultation, and communication on occupational health and safety	37	
	403-5	Worker Training on Occupational Health and Safety	39	
	403-6	Promotion of Worker Health	37	
	403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	37	
	403-8	Workers covered by an occupational health and safety management system	36	
	403-9	Work-related Injuries	39	
	403-10	Work-related ill health	39	
Universal(GRI 100)				
GRI 101: Biodiversity	101-1	Policies to Halt and Reverse Biodiversity Loss	19	
	101-2	Management of Biodiversity Impacts	20, 21	
	101-4	Identification of Biodiversity Impacts	20, 21	
	101-5	Locations with biodiversity impacts	20, 21	
	101-7	Changes to the state of biodiversity	21	
	101-8	Ecosystem Services	20	

GRI Index

GRI STANDARDS 2021		Index	Location	Remarks
Economic(GRI 200)				
GRI 201: Economic Performance	201-3	Defined benefit plan obligations and other retirement plans	31	
GRI 205: Anti-corruption	205-1	Operations assessed for risks related to corruption	55	
	205-2	Communication and training about anti-corruption policies and procedures	54, 55, 56	
	205-3	Confirmed incidents of corruption and actions taken	57, 58, Business Report pp. 215-216	
GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	59, Business Report pp. 215-216	
GRI 207: Tax	207-4	Country-by-country reporting	Business Report pp. 86-87	
Environmental(GRI 300)				
GRI 303: Water	303-1	Interactions with water as a shared resource	18	
	303-2	Management of water discharge-related impacts	18	
	303-3	Water withdrawal	22	
	303-4	Water discharge	22	
	303-5	Water consumption	22	
GRI 306: Waste	306-1	Waste generation and significant waste-related impacts	18	
	306-2	Management of significant waste-related impacts	18	
	306-3	Waste generated	22	
	306-4	Waste diverted from disposal	22	
	306-5	Waste directed to disposal	22	
GRI 308: Supplier Environmental Assessment	308-2	Negative environmental impacts in the supply chain and actions taken	41	
Social(GRI 400)				
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	65	
	405-2	Ratio of basic salary and remuneration of women to men	65	
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	35	
GRI 410: Security Practices	410-1	Security personnel trained in human rights policies or procedures	35	
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	48	
	413-2	Operations with significant actual and potential negative impacts on local communities	48	
GRI 414: Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	41	

SASB Index

Semiconductors - Sustainability Disclosure Topics & Metrics

Category	Items	Code	Description and Performance	Page
Greenhouse Gas Emissions	(1) Gross global Scope 1 emissions	TC-SC-110a.1	1,227 tCO_2eq	26, 63
	(2) Amount of total emissions from perfluorinated compounds		N/A	-
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	TC-SC-110a.2	LX Semicon has set a goal to achieve carbon neutrality by 2050 and established a roadmap and reduction plans to implement it. To achieve this, the company joined the K-RE100 initiative, introduced self-generating solar power facilities, and engaged in eco-friendly activities. Moving forward, the company plans to pursue carbon neutrality through company-wide reduction efforts.	23, 27
Energy Management in Manufacturing	(1) Total Energy Consumed	TC-SC-130a.1	155,780 GJ	64
	(2) Percentage Grid Electricity		99.70%(Based on domestic business sites)	64
	(3) Percentage Renewable		0.30%(Based on domestic business sites)	64
Water Management	(1) Total Water Withdrawn	TC-SC-140a.1	85,177m^3	22
	(2) Total Water Consumed		Not disclosed for business reasons	-
	(3) Percentage of each in regions with High or Extremely High Baseline Water Stress		8.1%. The Daejeon campus is located in a region with high water stress, and there are no business sites in regions with extremely high water stress.	22
Waste Management	Amount of Hazardous Waste from manufacturing, Percentage Recycled	TC-SC-150a.1	69%	22
Employee Health & Safety	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	TC-SC-320a.1	LX Semicon regularly conducts risk assessments at its business sites and implements risk elimination and preventive measures based on the results. In addition, the company conducts detailed safety inspections for laboratory safety management and implements improvement measures for identified potential risks.	36, 37, 38
	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	TC-SC-320a.2	N/A	-
Recruiting & Managing a Global & Skilled Workforce	(1) Percentage of employees that are foreign nationals	TC-SC-330a.1	7%	65
	(2) Percentage of employees that are located offshore		8%	65
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	TC-SC-410a.1	LX Semicon does not use IEC 62474 declarable substances.	-
	Processor energy efficiency at a system level for(1) servers,(2) desktops, and(3) laptops	TC-SC-410a.2	N/A	-
Materials Sourcing	Description of the management of risks associated with the use of critical materials	TC-SC-440a.1	LX Semicon supports the international community's efforts to prevent negative impacts, such as human rights violations and environmental destruction, associated with mineral extraction in major overseas conflict zones, and participates in related activities. To this end, the company has established and operates a management system and processes to prevent funds from flowing to armed groups in conflict regions and to ensure that conflict minerals are not used in the LX Semicon supply chain.	40, 41
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	TC-SC-520a.1	N/A	-
Activity Metrics	Total production	TC-SC-000.A	Not disclosed for business reasons	-
	Percentage of production from owned facilities	TC-SC-000.B	Not disclosed for business reasons	-

TCFD Index

	Recommendations	Page
Governance	a. Board's oversight of climate-related risks and opportunities	12,18,23
	b. Management's role in assessing and managing climate-related risks and opportunities	12,18,23
Strategy	a. Climate-related risks and opportunities identified over the short, medium, and long term	24-25
	b. Impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning	24-25
	Resilience of the organization's strategy, considering climate-related scenarios	24-25
Risk Management	a. Processes for identifying and assessing climate-related risks	26
	b. Processes for managing climate-related risks	26
	c. Description of how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management system	26
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Certifications and Memberships

Certifications

Category	Certification	Institution	Valid Until
Environment	ISO 14001(Environmental Management System)	Korea Management Registrar(KMR)	2027.01
	ISO 50001(Energy Management System)	Korea Productivity Center(KPC)	2026.06
Quality	ISO 9001(Quality Management System)	Korea Management Registrar(KMR)	2027.01
	IATF 16949(Automotive Quality Management System)	IATF	2028.11
Information Security	ISO/IEC 27001(Information Security Management System)	DNV	2028.08
	TISAX(Automotive Supply Chain Information Security Certification)	ENX Association	2029.01
Human Resources	Family-Friendly Company	Ministry of Gender Equality and Family	2027.11
Compliance	AEO(Authorized Economic Operator)	Korea Customs Service	2027.12

Association Memberships

- Korea Semiconductor Industry Association
- The Institute of Electronics and Information Engineers
- UN Global Compact
- Korea Listed Companies Association
- The Federation of Korean Industries

LX Semicon ESG Policies

Environmental Management and Energy Management Policy

Environmental Management Policy

As a company engaged in the design, development, and production of semiconductor components, LX Semicon recognizes environmental management as an essential element of corporate management. The company shall systematically establish, implement, maintain, and continually improve the environmental management system to meet the requirements of international standards.

To this end, LX Semicon operates the environmental management system systematically and ensures that all employees clearly understand applicable requirements through the following policy.

[Environmental Management Policy]

1. Comply with environmental laws, regulations, and other requirements to operate in accordance with environmental standards.
2. Prevent environmental pollution and create an eco-friendly workplace through energy conservation and resource recycling.
3. Take the lead in eco-friendly improvement activities through active communication and cooperation with stakeholders. Employees shall understand the environmental policy and actively contribute, through regular communication to achieve organizational goals for preserving a pleasant and thriving environment. Top management shall lead by example in fulfilling corporate social responsibility through green management, ensure the participation of all employees in environmental protection and pollution prevention, and maintain transparency in environmental management.

Environmental Management Policy Implementation Standards

1. Obtaining Environmental Permits

LX Semicon acquires, maintains, and manages all environmental permits and registrations required for business operations, and the company strives to comply with the operational and reporting requirements necessary throughout the permitting process.

2. Water Resources Management

LX Semicon establishes a system to measure water consumption and wastewater discharge, and the company strives to reduce water consumption and increase water recycling. In addition, the company minimizes the discharge of water pollutants through appropriate methods and treats wastewater in accordance with applicable laws and regulations prior to discharge.

3. Air Pollutants Management

LX Semicon establishes a system to measure air pollutant emissions. In doing so, the company monitors volatile organic compounds, corrosives, dust, particulate matters, ozone-depleting substances, and combustion by-products by identifying their characteristics, and strives to minimize air pollutant emissions through appropriate methods, treating them in accordance with applicable laws and regulations prior to discharge.

4. Circular Resources and Waste Management

LX Semicon establishes a system to measure waste generation, and the company formulates and implements plans to reduce waste and ensure efficient treatment throughout its business operations. To this end, the company strives to reduce or eliminate pollutant emissions by installing additional pollution control equipment, and to improve the efficiency of water, fossil fuel, and mineral use—thereby conserving resources—through methods such as increasing the efficiency of production and maintenance processes and facilities, using alternative materials, and promoting reuse and recycling.

5. Chemical Substance Management

LX Semicon strives to ensure the safe management of hazardous chemicals handled during business operations with respect to their transportation, storage, use, and disposal, and to manage them separately at every stage through identification, labeling and other appropriate controls. In addition, the company strives to verify whether raw materials and components that it procures, sells, produces, and distributes contain substances hazardous to human health or the environment.

6. Energy Use and Greenhouse Gas Emissions Management

LX Semicon establishes a system to measure and calculate energy consumption and greenhouse gas emissions(direct emissions, Scope 1; indirect emissions, Scope 2), and the company strives to develop methods to reduce energy consumption and greenhouse gas emissions.

7. Biodiversity Protection

LX Semicon shall not infringe upon or adversely affect biodiversity conservation areas, and the company strives to assess the value and impact of biodiversity in its business operations. Furthermore, the company makes good-faith efforts to protect animals within the areas where its business sites are located, and strives to comply with applicable laws, regulations, and guidelines in those areas.

Energy Management Policy

As a company engaged in the design, development, and production of semiconductor components, LX Semicon recognizes energy management as an essential element of corporate management. The company shall systematically establish, implement, maintain, and continually improve its energy management system to meet the requirements of international standards.

To this end, LX Semicon operates the energy management system systematically and ensures that all employees clearly understand applicable requirements through the following policy:

[Energy Management Policy]

1. Comply with energy-related laws, regulations, and other requirements to proactively respond to strengthened regulations.
2. Actively respond to climate change through greenhouse gas reduction and energy conservation.
3. Improve energy performance across all business activities to fulfill corporate social responsibility.

Employees shall actively participate in energy education and inspection activities and make every effort through regular communication to achieve the established objectives. Top management shall take the initiative in fulfilling corporate social responsibility through environmentally responsible energy management, encourage all employees to participate in environmental protection, and ensure transparency in energy management.

CEO of LX Semicon
Yun-tae Lee

LX Semicon ESG Policies

Occupational Safety and Health Management Policy

Occupational Safety and Health Management Policy

LX Semicon recognizes safety and health as its foremost responsibility. Through continuous improvement and faithful implementation, the company strives to establish a safe and pleasant working environment, prevent occupational accidents, and enhance the quality of life. To achieve this, the company recognizes safety and health as its top management priority and shall faithfully implement the following principles.

[Five Key Occupational Safety and Health Management Policies]

1. Comply with all applicable safety and health laws, regulations, and continuously pursue improvement.
2. Establish a healthy and safe working environment to prevent injuries and disabilities.
3. Actively support education and training to enhance employees' understanding of safety and health.
4. Employees shall actively participate in safety and health activities and fulfill their assigned responsibilities and duties.
5. Identify and eliminate risk factors to reduce safety and health risks.

CEO of LX Semicon
Yun-tae Lee

Fair Trade Policy

Fair Trade Policy

LX Semicon upholds fair and transparent trading practices across all of its business activities and strictly prohibits unfair trade and anti-competitive practices. Based on the following principles, the company is committed to establishing a culture of fair trade.

1. Purpose

This policy ensures compliance with fair trade laws and regulations and prevents the abuse of a superior bargaining position in transactions, thereby establishing a fair trade order with customers, suppliers, and competitors.

2. Scope of Application

This policy applies to all executives and employees of LX Semicon and to its business activities in Korea and overseas.

3. Key Principle

- Prohibition of unfair collusion, agreements, and exchange of information with competitors(prohibition of cartels)
- Prohibition of resale price maintenance imposed on suppliers
- Prohibition of abuse of a market-dominant position
- Prohibition of unfair discrimination against business counterparties, coercive transactions, and interference in their management, and prohibition of abuse of a superior bargaining position in transactions
- Good-faith cooperation with investigations conducted by competition authorities

4. Management System

Fair trade–related issues are reviewed and handled by the Government Relations & ESG Team or the Legal Team, and all executives and employees are required to understand and comply with the relevant guidelines.

LX Semicon will continue to pursue sustainable growth through fair and ethical business conduct.

LX Semicon ESG Policies

Human Rights Management Declaration

Human Rights Management Declaration

To implement human rights management, LX Semicon complies with international standards and guidelines on human rights and labour — including the Universal Declaration of Human Rights, the United Nations Global Compact, the UN Guiding Principles on Business and Human Rights, the core conventions of the International Labour Organization(ILO), and the OECD Due Diligence Guidance for Responsible Business Conduct — and faithfully fulfills its social responsibility as a corporate citizen. All employees of LX Semicon and of its suppliers are recognized for their dignity and worth as human beings and have the right to pursue happiness and freedom in connection with the work they perform.

1. **Respect for Human Rights** LX Semicon treats all employees with respect for their personal dignity and works to foster a safe working environment free of inhumane treatment or threats, including mental or physical coercion and verbal abuse.
2. **Prohibition of Forced labour** LX Semicon does not unjustly restrict employees' physical or mental freedom, or compel labour against their will, through violence, intimidation, confinement, human trafficking, or slave labour. The company does not require employees to surrender their original identification documents, passports, or work permits as a condition of employment, and provides each new employee with a copy of an employment contract written in a language they understand. LX Semicon does not charge employees any fees in connection with recruitment.
3. **Prohibition of Child labour** LX Semicon complies with the minimum employment age set by the laws of each country and region and prohibits, without exception, the employment of children under the age of 16(or applies local law where it sets a stricter minimum age). Employees under the age of 18 are not assigned to hazardous work - including night work and overtime - that could affect their safety or health.
4. **Compliance with Working Hours** LX Semicon complies with the laws and regulations of each country and region governing regular and overtime working hours and rest, and does not compel employees to work beyond regular hours. All overtime work requires the employee's voluntary consent, and overtime pay is provided in accordance with the standards set by the laws of each country and region.
5. **Prevention of Discrimination** LX Semicon provides all employees with equal opportunities for recruitment, promotion, compensation, and training, and prohibits all forms of discrimination based on gender, age, race, religion, disability, pregnancy, marital status, or social status. The company does not tolerate any act of discrimination and works to foster a culture that respects diversity.
6. **Prevention of Sexual Harassment and Workplace Harassment** LX Semicon prohibits sexual harassment, sexual violence, and any other conduct that causes sexual humiliation in the workplace, as well as any form of harassment that causes physical or mental distress through the abuse of position or relational advantage. To this end, the company provides training to prevent sexual harassment and workplace harassment, continuously improves its systems to prevent harm, and expands its online and offline channels so that anyone can report an incident. When harm occurs, LX Semicon immediately protects the affected individual and takes appropriate disciplinary and remedial action.
7. **Wages and Welfare Benefits** LX Semicon pays all employees wages that exceed the minimum wage set by the labour-related laws of each country and region.
8. **Responsible Mineral Sourcing** LX Semicon regards any human rights violation or environmental pollution arising from mineral extraction as a serious concern and does not use minerals — including 3TG and cobalt — that are directly or indirectly mined in high-risk or conflict-affected areas, including the Democratic Republic of the Congo and its adjoining countries. The company verifies the origin of minerals in advance and discloses relevant information upon a customer's request.
9. **Information Security** LX Semicon conducts all of its business transactions transparently and provides training on information security to support this commitment.
10. **Compliance with Laws and Regulations** LX Semicon complies with the working-condition standards set by the labour-related laws of each country and region and does not provide working conditions below those standards. LX Semicon will work to ensure that human rights management is put into practice not only within the company but also across its business partners, and pledges to make every effort toward the establishment and continued spread of human rights management.

LX Semicon will always respect human beings themselves, guided by a spirit of humanity, and will exercise its sense of responsibility as a global corporate citizen that contributes to society, becoming a partner that helps build a prosperous future for humankind.

Diversity and Inclusion Policy

Diversity and Inclusion Policy

LX Semicon respects the individuality of our employees, including their age, ethnicity, gender, gender identity, language, race, nationality, country of origin, family background, physical abilities or disabilities, and skin color.
The company also respects its employees' personal choices and preferences regarding marital status, pregnancy, religion or beliefs, sexual orientation, socio-economic status, educational background, political views, labour union activities, and military service. The company does not discriminate against its employees on the grounds of any of these factors.
By embracing the values of diversity and inclusivity, LX Semicon's employees will drive creative and innovative progress toward sustainable growth, drawing on their diverse experiences and perspectives.
Moving forward, the company will strive to create a corporate culture that respects and values its employees' diverse backgrounds and experiences, and in which everyone acknowledges and respects each other's differences.

LX Semicon ESG Policies

Human Rights Management Policy

Human Rights Management Policy

1. Purpose

LX Semicon is committed to actively implementing human rights management to ensure that the rights and values of all stakeholders, including employees, customers, and suppliers, that affect or are affected by the company's business activities, are equally respected. At the same time, the company strives to prevent human rights violations and mitigate related risks. In particular, the company recognizes stakeholders who are more vulnerable to human rights-related risks, such as children, women, people with disabilities, and foreign workers, and makes proactive efforts to protect their human rights. To implement human rights management, the company has developed a policy based on various international standards and guidelines on human rights and labour, including the International Bill of Human Rights(consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights), the International Labour Organization's(ILO) Declaration on Fundamental Principles and Rights at Work, the 10 Principles of the United Nations Global Compact, the United Nations Convention on the Rights of the Child, the United Nations Guiding Principles on Business and Human Rights, and the OECD Due Diligence Guidance for Responsible Business Conduct.

2. Scope of Application

This policy applies to LX Semicon's executives and employees, customers, communities, suppliers, business partners, joint ventures, and other stakeholders. All employees of the company are expected to comply with this policy, and all stakeholders with whom the company does business, including suppliers, are also expected to abide by this policy. The company complies with this policy and the labour laws of the local countries and regions in which it operates. In the event of a conflict between local laws and international standards, the company abides by local laws and regulations but will strive to follow the higher standard.

3. Fundamental Principles

LX Semicon manages human rights risks across the entire organization in the following areas and fulfills its responsibility to respect human rights.

1.Ensuring Occupational Safety and Health

LX Semicon prioritizes the safety and health of its members and ensures strict compliance with relevant laws and internal policies. The company has created a safe and clean work environment by establishing a system to prevent safety accidents, providing an optimal work environment, and conducting related training regularly.

2. Prohibition of Forced labour

LX Semicon does not unreasonably restrain a member's mental or physical freedom by means such as assault, intimidation, or confinement, or force a member to work against their free will. The company does not require workers to surrender personal documents such as identification, passports, or work permits, as a condition of employment.

3. Prohibition of Child labour and Protection of Young Workers

LX Semicon complies with the minimum age of employment stipulated by the laws and regulations of the countries and regions in which it operates, and does not tolerate any form of child labour. For young workers under the age of 18(including students, interns, trainees and apprentices), the company ensures that they are not engaged in any hazardous or harmful work, including night shifts or overtime, under any circumstances. If a child worker is identified, the company takes measures to ensure that their right to education is not compromised due to work. Instead of immediate dismissal, the company seeks to identify whether the root cause of child labour is economic hardship such as poverty, and considers alternative solutions such as providing employment opportunities to their family to prevent homelessness or hunger.

4. Freedom of Association and Collective Bargaining

LX Semicon guarantees all members the right to form and join trade unions, freedom of peaceful assembly and association, and collective bargaining in accordance with the labour relations laws of each country or region. The company does not subject members to any adverse treatment or discrimination on the basis of the exercise of these rights. labour and management communicate on an equal footing to maintain and improve working conditions, and the company provides sufficient communication opportunities for members to express their views and concerns without fear of reprisal.

5. Compliance with Working Hours

LX Semicon recognizes workers' rights to rest and leisure and complies with national laws and regulations regarding regular and overtime working hours and holidays, adhering to ILO conventions on working hours. All overtime work is voluntary, and overtime pay is provided in accordance with national or local labour relations laws and regulations. The company ensures that workers have access to adequate rest and vacation and at least one day off every seven days.

6. No Discrimination

LX Semicon does not tolerate discrimination in recruitment, hiring, promotion, training, wages and compensation, welfare benefits, work progress, retirement, or termination on any grounds, including gender, age, race, ethnicity, nationality, religion, disability, family status, marriage, pregnancy, childbirth, social status, political opinion, or gender identity. In addition, the company strives to respect and expand diversity and inclusion, providing fair opportunities for personal development based on members' abilities and qualities, and evaluating and rewarding members based on fair standards.

7. No Harassment

LX Semicon strictly prohibits all forms of harassment in the workplace, including sexual harassment and sexual violence, mental and physical coercion, harassment, public shaming, and verbal abuse. The company strives to prevent the occurrence of sexual harassment and sexual violence in the workplace, especially by providing education to prevent harassment and violence arising from an abuse of superior position or relationship. Furthermore, the company operates a grievance handling channel where anyone can report incidents of an undesirable nature. The company conducts a neutral investigation and provides appropriate remedies to protect victims. All reporters are guaranteed anonymity, and any unfair treatment or retaliation against reporters is strictly prohibited.

LX Semicon ESG Policies

Human Rights Management Policy

8. Wages and Welfare Benefits

Wages for employees are determined in accordance with the labour laws and regulations of each country or region, referencing the statutory minimum wages and local standards, to ensure that all employees receive sufficient wages to cover their basic living expenses. By setting wages above these minimum standards, the company contributes to the stability of employees' livelihoods and the improvement of working conditions. Wages may not be unfairly deducted without reasonable cause. In addition, the company provides welfare benefits such as social insurance and paid leave as stipulated by the labour laws and regulations of each country or region.

9. Responsible Sourcing of Minerals

LX Semicon recognizes the negative social and environmental impacts of the mining industry, such as human rights abuses, exploitation of child labour, sexual violence, and environmental degradation, as serious problems. Therefore, the company does not use minerals such as 3TG and cobalt that have been mined directly or indirectly in conflict-affected and high-risk areas, including the Democratic Republic of the Congo and its neighboring countries. The company also verifies the origin of minerals in advance and discloses relevant information to customers upon request.

10. Responsible Supply Chain Management

LX Semicon recognizes that many risks related to human rights occur at lower levels of the supply chain. To manage these risks, the company has established a Supplier Code of Conduct and requires its suppliers to comply with it in fulfilling their obligations to protect human rights. The company communicates with suppliers and supports them in introducing and practicing human rights management. The company does not abuse its superior position to engage in unfair or corrupt transactions; instead, it strives for mutual growth through fair and transparent dealings.

11. Information Security

All members of LX Semicon shall protect the company's proprietary information and introduce continuous improvements to various technical and physical measures to safeguard all confidential information, such as that of customers and business partners, collected in the course of business. In addition, members shall manage all personal information, including that of suppliers, job applicants, and website visitors, acquired in the course of company business, in compliance with relevant laws and regulations, both domestically and internationally. Members shall not provide this information to third parties without legitimate authority or reason.

12. Protection of Local Residents' Human Rights

All members of LX Semicon are committed to ensuring that the human rights of local residents are not violated in the course of business activities. The company strives to protect their rights to safety, health, and freedom of residence.

13. Ensuring Environmental Rights

LX Semicon recognizes the right to a clean and healthy environment as a fundamental human right. To uphold this, the company establishes and operates an environmental management system and does its utmost to engage in preventive activities that minimize the environmental impact of its business operations. The company also promotes environmental management practices aimed at achieving carbon neutrality and creating eco-friendly workplaces, while making efforts to conserve natural capital and biodiversity.

4. Operational System

1. Human Rights Management Governance

The dedicated Human Rights Management Department is responsible for establishing overall policies and directions related to human rights management, as well as monitoring its implementation. This department also carries out human rights training, information disclosure, human rights due diligence, and remedy for victims. The highest decision-making authority on human rights-related matters lies with the Board of Directors. The dedicated department reports on the status of human rights management and any potential risks to the Board, which then reviews and manages these issues accordingly.

2. Human Rights Risk Management

LX Semicon operates a human rights impact assessment process that incorporates the requirements of external stakeholders and major global guidelines on human rights, and develops assessment indicators for the examination of human rights risks and due diligence. Through this process, the company identifies actual and potential impacts on human rights. For any identified negative impacts, the company determines areas requiring improvement and takes necessary measures to prevent or mitigate them.

3. Grievance Handling Process

LX Semicon operates various grievance handling channels to report cases of human rights violations. These channels are open not only to employees but also to internal and external stakeholders, such as workers in the supply chain and local communities. When cases of human rights violations are reported, the company strives to promptly address the issues raised and provide remedy. The company prohibits any form of retaliation, including adverse employment actions, against complainants, victims, and informants who seek counseling or investigations and cooperate with the investigations.

LX Semicon is committed to respecting and not interfering with the right of any worker or stakeholder to participate in judicial and non-judicial remedial proceedings, and provides full cooperation when necessary.

CEO of LX Semicon
Yun-tae Lee

LX Semicon ESG Policies

Supply Chain Sustainability and Responsible Mineral Sourcing

Supply Chain Sustainability Management Guidelines

To build a sustainable supply chain, LX Semicon conducts ESG assessments aimed at minimizing suppliers' ESG risks; these assessments apply to all business units that maintain a direct or indirect business relationship with the company, including suppliers, subcontractors, and distributors. By identifying and managing suppliers' ESG risks, LX Semicon supports the improvement of ESG awareness and the strengthening of supplier capabilities, and will work to reduce potential ESG risks across the supply chain as follows.

1. LX Semicon identifies assessment targets among suppliers with a business transaction track record with the company, through a comprehensive review covering both financial factors and sustainability management performance, and then assesses and manages them accordingly.
2. Supply chain ESG assessments are conducted in two stages — a document review and an on-site due diligence — based on the supplier self-assessment checklist provided by LX Semicon. The assessment covers the full range of ESG areas and is used to confirm the management status and risk level in each area. On-site due diligence is conducted for suppliers identified as high ESG risk based on the documentary assessment results.
3. Based on the results of the documentary assessment and on-site due diligence, LX Semicon establishes detailed action items to address suppliers' ESG risks and supports suppliers in implementing effective corrective measures while monitoring their progress. Built on trust with its suppliers, the company will continue working toward substantive, long-term sustainable partnership.

Responsible Mineral Sourcing Policy

LX Semicon is committed to prohibiting the use of conflict minerals(tin, tantalum, tungsten, and gold) mined and distributed in conflict-affected and high-risk areas(CAHRAs) in ways that contribute to human rights abuses or environmental destruction. To this end, based on its Conflict Minerals Management Policy, the company strives to prevent conflict minerals from being included in its supply chain through the following measures.

1. The company will strive to improve its conflict mineral management processes and strengthen monitoring by complying with international standards and laws related to the prohibition of conflict minerals.
2. The company actively supports the policies and activities of the Responsible Minerals Initiative(RMI) regarding the prohibition of conflict minerals, and strives to identify the names and locations of all smelters of tin, tantalum, tungsten, and gold used in its supply chain.
3. The company will request that its suppliers provide written confirmation through a Conflict Minerals Reporting Template and a Conflict Mineral Non-Use Declaration, in order to manage this issue on an ongoing basis.

LX Semicon is committed to joining the global community's efforts to prohibit the use of conflict minerals in collaboration with its customers and suppliers. In addition, the company will strive to avoid using minerals mined in ways that harm the environment or violate human rights, thereby ensuring responsible mineral sourcing.

Supply Chain Sustainability Management Policy

1. Purpose

In accordance with international standards such as the UN Guiding Principles on Business and Human Rights(UNGPs), the OECD Guidelines for Multinational Enterprises, the ILO Core Conventions, and the Responsible Business Alliance(RBA) Code of Conduct, this policy sets out the objectives, direction, and management framework for identifying, assessing, and mitigating risks related to human rights, the environment, safety and health, and ethics that may arise within LX Semicon's supply chain, and for building a sustainable supply chain ecosystem.

2. Scope of Application

This policy applies to all stakeholders that maintain a direct or indirect business relationship with LX Semicon. It includes companies subject to assessment— such as suppliers, subcontractors, and distributors — that are expected to maintain a significant business relationship with the company over a certain period, as well as workers, customers, local communities, and all suppliers that may be affected as the company manufactures products and distributes them to end consumers.

3. Supply Chain Sustainability Management Organization

A dedicated department is responsible for establishing the company's overall policy and direction for supply chain ESG risk management and for overseeing its implementation. This department selects suppliers, conducts supply chain ESG assessments, and monitors progress against implementation targets.

4. Supply Chain ESG Management Procedure

Following the OECD's five-step due diligence framework, LX Semicon conducts regular sustainability assessments and on-site due diligence to raise suppliers' awareness of sustainable supply chain management and to examine risk factors at supplier sites relating to labour and human rights, the environment, safety and health, legal compliance, and business ethics. Based on the results of the annual sustainability assessment and on-site inspections, the company carries out risk mitigation and improvement activities and works toward continuous improvement across the supply chain.

Steps	Process	Details
Step 1	Management System Establishment	· Establishment and Dissemination of the Supplier Code of Conduct
Step 2	Risk Identification and Assessment	· Classification of suppliers by influence and materiality; ESG risk assessment based on an annual self-assessment questionnaire; determination of risk level
Step 3	Risk Mitigation Planning	· Development of action plans by risk level; support for capacity building through ESG training, consulting, and other measures
Step 4	On-site Due Diligence	· On-site due diligence for high-risk suppliers, as needed
Step 5	Monitoring and Disclosure	· Monitoring of the implementation status of corrective actions and external disclosure

5. Policy Implementation and Reporting

This policy is implemented under the oversight of the ESG Committee and through an integrated collaboration framework among relevant departments. LX Semicon requires all suppliers to comply with the principles of this policy through the Supplier Code of Conduct and provides suppliers with the resources needed to meet the relevant standards. The policy is reviewed and, where necessary, revised at least once a year to reflect changes in global regulations, market requirements, and stakeholder feedback, and the key outcomes of the company's sustainable supply chain management activities are transparently disclosed in its annual report.

LX Semicon ESG Policies

Supplier Code of Conduct

Supplier Code of Conduct

The LX Semicon Supplier Code of Conduct(hereinafter referred to as the "Code") sets forth standards requiring all its domestic and international suppliers involved in the production and delivery of its products and services to establish a safe work environment. The Code aims to ensure that all employees(hereinafter referred to as "workers") are treated with respect, while also promoting environmentally friendly and ethical business practices. The Code outlines its policies on labour and human rights, safety and health, the environment, corporate ethics, management systems, and conflict minerals.

1. Labour

1.1 Voluntary Work(prohibition of forced labour)

Suppliers do not subject workers to forced labour against their will, such as slavery, human trafficking, or involuntary prison labour. When hiring a worker, suppliers provide them with an employment contract written in a language the worker can understand. Workers shall retain possession of their official government-issued documents, such as passports or work permits. If these documents are held by the employer, suppliers ensure that workers have access to them whenever they wish. Suppliers do not unreasonably restrict the movement of workers and guarantee their freedom to transfer to other jobs or resign. Suppliers are not permitted to charge workers recruitment fees or commissions.

1.2 Prohibition of Child Labor and Management of Young Workers

When hiring a worker, suppliers shall verify their age and not employ anyone under the age of 16 or the minimum working age(hereinafter referred to as "child") as defined by local law. Workers under the age of 18 shall not be engaged in hazardous work in terms of safety and health, or required to work overtime or night shifts. Suppliers separate apprentices from regular workers for support and management in accordance with apprenticeship programs, and regularly monitor compliance with relevant laws.

1.3 Prohibition of Excessive Overtime

Suppliers shall ensure that their employees do not work more than 52 hours per week or exceed local legal standards. They are also entitled to one day off for every seven days worked. All overtime work shall be voluntary, and these principles apply to all in-house suppliers at business sites, who are required to comply with them.

1.4 Wages and Welfare Benefits

In accordance with local laws, suppliers shall pay their workers wages at or above the minimum wage, and overtime pay at or above the applicable premium rate. They shall also provide essential welfare benefits. Suppliers shall provide their workers with an employment contract written in a language the worker can understand, both before and during the contract period, and shall provide clear written information about wages in a language the worker can understand, at an appropriate time. Wage deductions as a form of disciplinary action are not permitted. When hiring temporary, dispatched, or outsourced workers, suppliers shall comply with the relevant laws of the countries in which they operate.

1.5 Humane Treatment

Suppliers are committed to eliminating any harsh or inhumane treatment at their business sites, including sexual harassment, sexual abuse, physical punishment, physical or mental coercion, and abusive language. To ensure the humane treatment of all their employees, suppliers establish disciplinary policies and procedures to address inhumane conduct, and communicate these to all their workers.

1.6 Prohibition of Discrimination and Harassment

Suppliers do not discriminate against their workers in any aspect of personnel management, including recruitment, wages, incentives, promotion, and training. This applies to discrimination on the basis of gender, race, skin color, age, sexual orientation, gender identity and expression, ethnicity, nationality, disability, pregnancy, marital status, religion, political views, social status, veteran status, genetic information, or medical conditions. Suppliers are also prohibited from causing physical or mental harm to their workers or job applicants, or from requiring workers or job applicants to undergo medical examinations(such as pregnancy tests) that could be used as a basis for discrimination.

1.7 Freedom of Association

In accordance with local laws, suppliers shall respect the rights of their workers to form and join labour unions, to engage in peaceful assembly and demonstration, and to participate in collective bargaining. Suppliers also shall respect the rights of their workers to choose not to engage in these activities.

2. Occupational Safety and Health

2.1 Occupational Safety

Suppliers shall identify workers' exposure to safety and health hazards(such as chemical substances, electricity and other energy sources, fire, vehicle and fall hazards, etc.) in advance and conduct regular risk assessments to prevent or reduce risks. Based on the assessment results, suppliers eliminate or minimize risk factors by implementing measures such as process or hazardous material substitution, safe process design, technical/administrative control, preventive maintenance, and safe work procedures(lockout/tagout devices), and provide ongoing occupational health and safety training. If risk factors cannot be sufficiently controlled, continuous training is provided, appropriate personal protective equipment is supplied to workers, and management and supervision is conducted to ensure that the relevant workers wear them. Suppliers exempt pregnant or nursing workers from high-risk tasks, and take measures to eliminate or mitigate work-related safety and health hazards.

LX Semicon ESG Policies

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2.2 Emergency Preparedness

Suppliers shall minimize damage by identifying and evaluating potential emergencies and situations and implementing emergency plans and response procedures. These emergency measures and response procedures include emergency reporting, emergency propagation and evacuation procedures, and worker education and training. Emergency response plans include fire detection and suppression equipment, unobstructed evacuation routes and exits, emergency communication networks and recovery plans. Emergency exits are open at all times in the direction of evacuation, and evacuation drills are conducted at least once a year involving all workers or according to stricter standards among those required by law. Emergency assembly points are prepared both indoors and outdoors, and the location is marked so that anyone can know. After evacuation drills, rapid and effective evacuation capabilities are maintained through evaluation(measurement of evacuation time and identification of improvements). Evacuation drills are conducted in various situations(day/night) in all facilities used by workers(including restaurants and dormitories).

2.3 Occupational Accidents and Diseases

Suppliers shall implement the following procedures to prevent occupational accidents and diseases and prevent their recurrence. Suppliers shall support: 1) Reporting of incidents/accidents 2) Classification and recording of injury and disease cases 3) Provision of necessary treatment 4) Establishment of corrective and preventive measures after root cause analysis(including worker training) 5) Return to work after treatment

2.4 Occupational Health

Suppliers shall identify, evaluate, and control employee exposure to chemical, biological, and physical factors in accordance with the management system. Potential hazards are eliminated or controlled through appropriate design, engineering and administrative controls. Where hazards cannot be sufficiently controlled by these means, workers are provided with and use appropriate and well-maintained personal protective equipment. Protection programs include hazard educational materials related to these hazards.

2.5 Management of Physically Demanding Tasks

Suppliers shall identify, evaluate, and control tasks that place excessive physical strain on workers, such as repetitive work and handling of heavy objects.

2.6 Machinery Safety Maintenance

In accordance with local laws, suppliers shall conduct regular safety inspections on all hazardous and dangerous facilities and keep records of them. For the safety of workers, suppliers install physical protection devices/walls and safety devices(stopping facility operation when opened, interlock) and perform preventive maintenance for the devices.

2.7 Food, Sanitation and Housing

Suppliers shall provide workers with clean toilets, drinking water, sanitary food preparation/storage space, and dining areas. Suppliers maintain employee dormitories clean and safe, providing adequate emergency exits, hot water, heating and ventilation, individual secure lockers for belongings and valuables, and private spaces.

2.8 Health and Safety Training

Suppliers shall provide safety and health training to all workers in a language that workers can understand, and display safety and health information that workers need to know in a visible place or keep it in an easily accessible place. Safety and health training is conducted regularly, including before starting work. Suppliers provide reporting and communication channels so that workers can freely raise/share safety and health issues.

3. Environment

3.1 Environmental Licensing and Reporting

Suppliers shall obtain and maintain all required environmental permits and registrations, and update them regularly. Suppliers also comply with operational and reporting requirements for the permitting process.

3.2 Pollution Prevention and Resource Use Reduction

Suppliers shall endeavor to minimize or eliminate resource use and waste emissions through production, maintenance, and process changes, use of alternative raw materials, resource conservation, and recycling and reuse of raw materials.

3.3 Hazardous Chemicals

Suppliers shall identify the chemicals and other substances that may contaminate the environment if released, and ensure the safe handling, transportation, storage, use, recycling/reuse, and disposal of such materials.

3.4 Solid Waste

Suppliers shall systematically identify, manage, minimize, and dispose of solid waste in accordance with applicable laws and regulations.

3.5 Air Pollutants

Suppliers shall identify the properties of volatile organic compounds, aerosols, corrosive gases, dust, ozone-depleting substances, and combustion by-products produced in the process, monitor them on a daily basis, and comply with the relevant regulations for their management/treatment before releasing them. In addition, suppliers regularly verify the treatment efficiency of air pollution prevention facilities.

3.6 Restrictions on Substances in Products

Suppliers shall adhere to the laws and customer requirements regarding the prohibition/restriction of substances in products and manufacturing processes, as well as the labeling of recycling/disposal.

LX Semicon ESG Policies

Supplier Code of Conduct

3.7 Water Resources Management

Suppliers shall identify and manage the properties of water when they withdraw, use, and discharge water. Suppliers treat and discharge all wastewater in compliance with the applicable laws and regulations, and they continuously monitor the treatment results to ensure that the discharge meets the standard.

3.8 Energy Consumption and Greenhouse Gas Emissions

Suppliers shall establish and report company-wide greenhouse gas(GHG) emissions reduction targets. They shall track, document, and publicly disclose energy consumption, significant sources of Scope 1, Scope 2, and Scope 3 emissions, and continuously identify opportunities to improve energy efficiency while minimizing energy consumption and greenhouse gas emissions.

4. Ethics

4.1 Business Integrity

Suppliers shall adhere to the highest standards of integrity in all business activities. Participating companies shall implement a zero-tolerance policy prohibiting all forms of bribery, corruption, extortion, and embezzlement.

4.2 Compliance with Jeong-Do Management and Prohibition of Unfair Profits

In alignment with LX Semicon's Jeong-Do Management policy, suppliers shall prohibit improper gifts, bribes, embezzlement, and any corrupt practices that promise/offer or permit/receive anything of value, investigate breaches, and enforce disciplinary measures. Suppliers abide by all relevant anti-corruption laws and regulations.

4.3 Information Disclosure

Suppliers shall accurately record and truthfully disclose information on labour, health and safety, environmental management, business activities, governance, financial status and performance in compliance with the applicable laws and industry practices. In addition, suppliers strictly adhere to the relevant laws and regulations when they store and dispose of all information.

4.4 Protection of Intellectual Property Rights

Suppliers shall respect and safeguard all intellectual property rights when technology and know-how is transferred. In addition, suppliers shall securely protect the information of LX Semicon as well as LX Semicon's customers and business partners.

4.5 Fair Trade, Advertising and Competition

Suppliers comply with regulations on advertising and competition as well as fair trade standards.

4.6 Identity Protection and Non-Retaliation

Suppliers implement a program to protect whistleblowers. Suppliers communicate the relevant procedures to workers so that they can report issues without fear of retaliation.

4.7 Protection of Personal Information

Suppliers systematically safeguard all personal information related to corporate management. When they collect, store, process, transmit and share personal information, suppliers abide by the relevant laws and regulations such as the Personal Information Protection Act.

4.8 Responsible Mineral Sourcing

Suppliers shall establish relevant policies to ensure that they do not use raw materials that are illegal, have a negative impact on the environment, or are procured through unethical methods. Suppliers shall include conflict minerals provisions in the relevant policy. In addition, suppliers shall establish a system that can guarantee that the minerals(tantalum, tin, tungsten, gold: hereinafter 3TG) used in raw materials, parts, and products supplied to LX Semicon do not directly or indirectly provide funds or benefits to armed groups responsible for serious human rights abuses in the Democratic Republic of the Congo or neighboring countries. Suppliers shall conduct due diligence on the origin and supply chain of 3TG in the raw materials, parts, and products they supply to LX Semicon, and shall provide due diligence data - including information on the origin of 3TG, smelters, and refiners - upon the request of LX Semicon or LX Semicon's customers.

5. Management System

5.1 Management's Declaration of Commitment to Compliance and Responsibilities

Suppliers shall adhere to the corporate social and environmental responsibility standards and publish a policy statement expressing their commitment to continuous improvement after obtaining approval from the CEO.

5.2 Management's Duties and Responsibilities

Suppliers shall designate the company's senior management and representatives responsible for implementing the management system or related programs. The management of suppliers regularly review the status. In addition, suppliers appoint a representative with responsibility and authority related to corporate social responsibility and sustainable management.

5.3 Legal and Customer Requirements

Suppliers should have a process to identify, monitor and understand applicable laws, regulations, and customer requirements, including the requirements of this Code.

5.4 Risk Assessment and Management

Suppliers shall establish a system to identify environmental, safety and health, labour practices and ethical risks. In addition, suppliers prioritize each risk and monitor compliance on a regular basis.

LX Semicon ESG Policies

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5.5 Improvement Goals

In order to improve social and environmental performance, suppliers shall document performance goals, targets, and action plans, and regularly evaluate performance against goals.

5.6 Training

Suppliers shall operate training programs for managers and workers to comply with the relevant laws and regulations while implementing policies, procedures, and improvement targets.

5.7 Communication

Suppliers shall clearly communicate information about policies, practices, expectations and performance to workers, suppliers and customers.

5.8 Worker Participation

Suppliers shall establish a process for collecting worker feedback and facilitating worker participation, including an effective grievance handling system, to assess workers' understanding of this Code, collect feedback, and support continuous improvement.

5.9 Audit and Evaluation

Suppliers shall conduct regular self-assessments to verify compliance with legal and regulatory requirements, the contents of this Code, and contractual customer requirements related to social and environmental responsibility.

5.10 Corrective Action Procedure

Suppliers shall establish procedures to promptly correct any non-conformities identified through internal and external evaluations, inspections, investigations, and reviews.

5.11 Documentation and Records

Suppliers shall manage relevant documents and records in accordance with applicable laws and regulations and their internal document management policies.

5.12 Supplier Responsibility

Suppliers shall communicate the requirements of this Code to their sub-suppliers and monitor their compliance. Suppliers shall also permit third-party assessments of their suppliers upon customer request.

GHG Emissions Assurance Statement(Scope 1&2)

LX Semicon

The Korea Management Registrar Inc.(hereinafter "KMR") has conducted the verification on the greenhouse gas(here in after "GHG") emission(Scope 1,2) in 2025 of 4 subsidiaries including domestic and foreign businesses based on consolidation LX Semicon.

PURPOSE & SCOPE

The purpose of this verification is to present an independent verification opinion on the greenhouse gas emissions inventory and the scope of the verification is as follows.

- All four subsidiaries, including domestic and foreign business establishments, under the consolidated standards of LX Semicon Co., Ltd., are verified for all business establishments and emission facilities

STANDARDS

- ISO 14064-1:2018, ISO 14064-3:2019
- IPCC Guidelines for National Greenhouse Gas Inventories(2006)
- Guidelines on Emission Reporting and Certification under the Greenhouse Gas Emissions Trading Scheme(Ministry of Environment, 2025-64)
- Sixth Assessment Report(AR6)
- National greenhouse gas emissions, absorption coefficients approved in 2025
- IEA(2023) Emissions Factors

PROCEDURE

The assurance was conducted by the KMR based on a risk analysis approach and data evaluation.The data and factors applied to the calculation of GHG emissions were determined to be appropriate based on objective evidence.

INDEPENDENT

KMR does not have any stake in the verified entity and does not conduct verification with biased opinions/views. We have drawn an independent and objective verification conclusion based on the verification standards, and reviewed the every aspect of the verification we performed throughout the entire verification process through internal review.

LIMITATION

The verification team verified the related reports, information and data presented by the audited institution by sampling or enumeration methods. As a result, there are many inherent limitations, and there may be disagreements in the interpretation of appropriateness. Although we have tried to faithfully perform verification that meets the verification standards, we suggest that errors, omissions, and false statements that could not be found may be latent as the limitations to the verification.

OPINION

- According to the verification criteria, the assurance engagement was performed to satisfy a reasonable assurance level for domestic workplaces and limited assurance level for India branch and subsidiaries.
- We express that no significant errors were found in the calculation of emissions during the verification process, and that relevant activity data and evidence were appropriately managed and calculated.
- Criticality : Meets the criterion, which is less than 5%

GHG Emissions & Energy Consumption

	Direct emissions (Scope 1)	Indirect emissions (Scope 2)	Other indirect emissions (Scope 3)	Total (tCO_2eq)	Energy Consumption (TJ)
2025	1,227.408	6,092.304	-	7,315	151

Note: The total amount and the sum of emissions by item may differ due to abandonment processing by business establishment

RESULTS

Based on the above assurance criteria, we did not identify any inappropriate calculations or errors for the emissions of major emitting facilities.

As a result, we express "unmodified" opinion.

※ The entity shall be responsible for preparing the verification materials in accordance with relevant laws and standards, and KMR's responsibility shall be limited to the parties to the verification contract under the terms and conditions agreed upon, and shall not be responsible for any other decisions, such as investments based on this verification opinion.

※ The company shall comply with the use of accreditation and logo marks under the agreement agreed with KMR.

March 6, 2026

KMR CEO

E J Hwang

KMR ISO 14064-1 IAF National Institute of Environmental Research

GHG Emissions Assurance Statement(Scope 3)

LX Semicon Co., Ltd.

The Korea Management Registrar Inc.(hereinafter "KMR") has conducted the verification on the greenhouse gas(hereinafter "GHG") emission(Scope 3) in 2025 of LX Semicon Co., Ltd.

PURPOSE & SCOPE

The purpose of this verification is to present an independent verification opinion on the greenhouse gas emissions inventory and the scope of the verification is as follows.

- Verification of places of business and emissions facilities under the control of LX Semicon Co., Ltd.

STANDARDS

- ISO 14064-1:2018
- ISO 14064-3:2019
- WRI/WBCSD GHG Protocol(2013)
- IPCC Guidelines for National Greenhouse Gas Inventories(2006)
- Guidelines on Emission Reporting and Certification under the Greenhouse Gas Emissions Trading Scheme(Ministry of Environment, 2025-64)
- Guidelines for the Quantification and Reporting of Scope 3 Greenhouse Gas Emissions(2024, NIER)

PROCEDURE

The assurance was conducted by the KMR based on a risk analysis approach and data evaluation.The data and factors applied to the calculation of GHG emissions were determined to be appropriate based on objective evidence.

INDEPENDENT

KMR does not have any stake in the verified entity and does not conduct verification with biased opinions/views. We have drawn an independent and objective verification conclusion based on the verification standards, and reviewed the every aspect of the verification we performed throughout the entire verification process through internal review.

LIMITATION

The verification team verified the related reports, information and data presented by the audited institution by sampling or enumeration methods. As a result, there are many inherent limitations, and there may be disagreements in the interpretation of appropriateness. Although we have tried to faithfully perform verification that meets the verification standards, we suggest that errors, omissions, and false statements that could not be found may be latent as the limitations to the verification.

OPINION

- The assurance engagement was performed to satisfy a limited assurance level, and no significant distortions were found in the verification results.
- According to KMR's approach, nothing was found that would lead to a finding that LX Semicon Co., Ltd. failed to disclose data and information that was accurate and reliable in all material respects.
- Criticality: meets the criterion, which is less than 5%

Scope 3 GHG Emissions

Category	Scope 3	Emissions(tCO_2eq)
CAT 1	Purchased goods and service	382,294
CAT 2	Capital goods	2,577
CAT 3	Fuel and energy-related activities (not included in scope 1 or scope 2)	1,527
CAT 4	Upstream transportation and distribution	1,654
CAT 5	Waste generated in operations	264
CAT 6	Business travel	1,042
CAT 7	Employee commuting	17
CAT 15	Investments	172
Total		389,547

* Differences may occur between the total emissions and the sum of emissions by category due to truncation at the category level

RESULTS

Based on the above assurance criteria, we did not identify any inappropriate calculations or errors for the emissions of major emitting facilities.

As a result, we express "unmodified" opinion.

※ The entity shall be responsible for preparing the verification materials in accordance with relevant laws and standards, and KMR's responsibility shall be limited to the parties to the verification contract under the terms and conditions agreed upon, and shall not be responsible for any other decisions, such as investments based on this verification opinion.

※ The company shall comply with the use of accreditation and logo marks under the agreement with KMR.

KMR ISO 14064-1 | IAF | National Institute of Environmental Research

May, 26, 2026

KMR CEO

E J Hwang

Independent Assurance Statement

To readers of LX Semicon 2025-2026 Sustainability Report

Introduction

Korea Management Registrar (KMR) was engaged to conduct an independent assurance of LX Semicon 2025-2026 Sustainability Report for the year ending December 31, 2025. The preparation, information and internal control of the report are the sole responsibility of LX Semicon's management. KMR's responsibility is to comply with the agreed engagement and express an opinion to LX Semicon's management.

Subject Matter

The reporting boundaries included the performance and activities of sustainability-related organizations as described in LX Semicon's report:
• LX Semicon 2025-2026 Sustainability Report

Reference Standard

• GRI Standards 2021: 2023(GRI)

Assurance criteria

KMR applied the quality management system in accordance with ISO 17029 and KMR EDV 01, and carried out the verification in accordance with the assurance criteria of AA1000AS v3 and KMR's proprietary SRV1000. Under AA1000AS v3, we assessed the adherence to the four principles presented in AA1000AP:2018—Inclusivity, Materiality, Responsiveness, and Impact—and evaluated the reliability and quality of the data and information using these criteria. Under SRV1000, we conducted a multidimensional review aimed at zero data errors, applying expert judgment to determine the materiality criteria.
• ISO 17029: 2019, ISO 14065: 2020, AA1000AS v3: 2020(AccountAbility), AA1000AP: 2018(AccountAbility), SRV1000: 2022(KMR), KMR EDV 01: 2024(KMR)
• Levels of assurance/materiality: AA1000AS v3 – Type 2/moderate

Scope of assurance

The information subject to verification in the sustainability report is as follows.

• GRI Standards 2021 reporting principles
• Universal Standards
• Topic Specific Standards
  - GRI 201: Economic Performance: 201-2
  - GRI 302: Energy
  - GRI 305: Emissions
  - GRI 401: Employment
  - GRI 403: Occupational Health and Safety
  - GRI 404: Training and Education
  - GRI 418: Customer Privacy

As for the reporting boundary, information external to the organization was excluded from the scope of assurance.

KMR's Approach

Our Assurance Team undertook the following activities for the agreed scope of assurance using the standard outlined above:
• Evaluating the appropriateness of the reference standard used as a basis for preparing sustainability information and the reliability of the materiality assessment process and its findings;
• Conducting inquiries to understand the data management and control environment, processes, and information systems (the effectiveness of controls was not tested);
• Evaluating the appropriateness and consistency of the methodology for estimation (note that the underlying data was not tested and KMR has not made any estimates);
• Visiting the headquarters, determining visit sites based on the site's contribution to sustainability and the possibility of unexpected changes since the previous period and sampling data, and carrying out due diligence on a limited number of source records at the sites visited;
• Interviewing people in charge of preparing the report;
• Considering whether the presentation and disclosures of sustainability information are accurate and clearly defined;
• Identifying errors through comparison and check against underlying information, recalculation, analyses, and backtracking; and
• Evaluating the reliability and balance of information based on independent external sources, public databases, and press releases.

Independent Assurance Statement

Limitations and Recommendations

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

Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with LX Semicon on the revision of the Report. We reviewed the Report's final version in order to make sure that our recommendations for improvement and revision have been reflected. We found that the report was prepared in accordance with the criteria presented by LX Semicon, and nothing comes to our attention to suggest that the evidence obtained regarding its content is insufficient to provide a basis for our opinion. Our opinion on the principles is as follows:

Inclusivity

LX Semicon has developed and maintained different stakeholder communication channels at all levels to announce and fulfill its responsibilities to the stakeholders. Nothing comes to our attention to suggest that there is a key stakeholder group left out in the process. The organization makes efforts to properly reflect opinions and expectations into its strategies.

Materiality

LX Semicon has a unique materiality assessment process to decide the impact of issues identified on its sustainability performance. We have not found any material topics left out in the process.

Responsiveness

LX Semicon prioritized material issues to provide a comprehensive, balanced report of performance, responses, and future plans regarding them. We did not find anything to suggest that data and information disclosed in the Report do not give a fair representation of LX Semicon's actions.

Impact

LX Semicon identifies and monitors the direct and indirect impacts of material topics found through the materiality assessment, and quantifies such impacts as much as possible.

Reliability of Specific Sustainability Performance Information

In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of sustainability performance data, including total employees, employees with disabilities, veterans of national merit, new hires, and resignations data. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable. Any intentional error or misstatement is not noted from the data and information disclosed in the Report.

KMR's Competence, Independence, and Quality Control

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

Limitations of Use

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

May, 26, 2026
KMR CEO
E J Hwang

SRV1000 Sustainability Committee Assurance

AA1000 Licensed Report 000-129/V3-K17H0

LX Semicon

http://www.lxsemicon.com