LG CNS

DIGITAL BUSINESS INNOVATOR

2024–2025
LG CNS SUSTAINABILITY REPORT

ABOUT THIS REPORT

Report Overview

Since 2017, LG CNS has published annual sustainability report as a way of communicating with our stakeholders. This report is our ninth sustainability report. We conducted a double materiality assessment that considers both financial and social · environmental impacts. Based on the assessment result, LG CNS' sustainability activities have been categorized into environmental, social, and governance, and the main goals and achievements of each category have been disclosed. The 2024-2025 Sustainability Report introduces LG CNS' sustainable support solutions, and the ESG value of each digital solution.

Reporting Standards

This report was prepared based on the GRI Standards 2021, an international sustainability report guideline. It applies the key criteria of SASB and TCFD. Financial performance reporting was prepared in accordance with the Korean International Financial Reporting Standards (K-IFRS).

Reporting Scope

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

Reporting Period

This report includes ESG activities and performance for the fiscal year from January 1, 2024 to December 31, 2024. Some qualitative data includes information through the first half of 2025.

Report Verification

This report has been assured by an independent third-party to ensure its reliability.

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Cover Story

LG CNS core value is "connection." Through technology, we connect people with people, people with technology, and people with everyday life, to create a better society.

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OVERVIEW

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Message from the CEO

Hyun, Shin Gyoon
Chief Executive Officer, LG CNS

We will pursue technological innovation and responsible management for ESG goals in harmony, to grow sustainably as the most trusted and recognized AX specialist.

Dear Stakeholders,

Despite challenging business conditions, LG CNS has continued to experience steady growth in the digital technology industry, with a focus on AI and cloud technologies, and is leading the way in AX (AI transformation) for our clients. The robust nature of our business has helped us achieve significant success, breaking our performance record for five consecutive years. This achievement was possible due to the unwavering trust and support of our clients, partners, shareholders, and employees. We are truly grateful.

Our clients perceive LG CNS as the most trusted and widely acknowledged "Digital Business Innovator." With a focus on creating tangible business value for our clients, we have enhanced our technical and operational capabilities as well as our strategic consulting functions. This allows us to proactively identify clients' needs and deliver customized solutions that are optimized for our clients' business objectives. Through these efforts, we support our clients in creating tangible business value and securing sustainable competitiveness.

LG CNS is a leading AX company that creates substantial results for our clients throughout their entire AX journey. We have a dedicated AI organization, the AI Center, and our self-developed generative AI platform (DAP GenAI platform). We also flexibly apply various AI models, including LG AI Research's EXAONE, considering our clients' specific situations to efficiently support our clients' AX transformation. As a result, we have been responsible for AX success stories in diverse industries, including finance and manufacturing.

(From left) Google Cloud CEO Thomas Kurian and LG CNS CEO Hyun, Shin Gyoon pose for a photo following a discussion about the diversification of cloud-based AX business in the Asia-Pacific region and the Americas

Hyun, Shin Gyoon, CEO of LG CNS (far right), and Stefan Steinle, Executive Vice President of SAP (second from right), participated in the signing ceremony of an MOU, joined by other SAP executives

LG CNS is strategically partnering with leading global technology companies to enhance our future technology capabilities. We established a "Generative AI Launch Center" with AWS, which will explore innovative business opportunities and enhancing synergies in the AX field across a wide range of business sectors, through partnerships with Microsoft and Google Cloud. We became the first company in Korea to sign an exclusive partnership with Cohere, a generative AI unicorn company, to lead the agentic AI market. We are also expanding our Cloud ERP business into the Asia-Pacific market as a strategic partner of SAP in the region.

In addition to this, we are also making progress in our global business. We have established a joint venture with Indonesia SinarMas to develop cloud and data center businesses, and have achieved meaningful results in the smart city field in the United States, securing our first order in the public market.

As following a corporate citizenship, LG CNS acknowledges the significance of ESG management and is committed to fulfilling our social responsibility of creating a sustainable future. We have developed an integrated platform called "ESG Intelligence" that collects, analyzes, and manages corporate ESG data, enabling companies to systematically manage and achieve their ESG goals. In addition, we support our clients in achieving net-zero emissions by providing ESG solutions that are specifically tailored to manufacturing and production sites. We are also developing various eco-friendly solutions, including AI-powered resource circulation solutions and power plant solutions that predict energy flows.

Internally, LG CNS has established an ESG management system and is committed to strengthening our company-wide efforts in various areas, including fair trade, information security, environmental management, safety and health, supply chain management, and social contribution. Through these efforts, LG CNS will take the lead in creating sustainable value for the future that goes beyond corporate social responsibility.

Going forward, LG CNS will continue to harmoniously pursue technological innovation and ESG responsible management, and grow together with society. Through this sustainability report, we aim to transparently share our direction, achievements, and ESG activities with our stakeholders.

We look forward to your continued interest and support. Thank you.

June 2025
Hyun, Shin Gyoon
Chief Executive Officer, LG CNS

Shin Gyoon

Company Overview

LG CNS Overview

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

Company Name	LG CNS Co., Ltd.
Address	Buildings E13 and E14, LG Science Park, 71, Magokjungang 8-ro, Gangseo-gu, Seoul, Republic of Korea
Date Established	January 1987
CEO	Hyun, Shin Gyoon
Number of Employees	6,891 persons (as of the end of 2024)
Business Fields	AI, Big data, Cloud computing, Smart factory , Smart logistics, Smart city, Subscription service-based SaaS[1], Security, ERP[2]
Subsidiaries	Biztech i, Biztech On, Rightbrain, Open Source Consulting, GTinnovision, Haengbokmaru

Major Awards and Achievements

- Selected as Korea's first SAP Asia Pacific Regional Strategic Services Partner (2025)
- Acquired AWS Generative AI Competency certification (2024)
- Became first in Asia to obtain Google Cloud Generative AI Specialist certification (2024)
- Selected as Services Partner of the Year in Korea at the Google Cloud Partner Awards 2024 (for the second consecutive year) (2024)
- Qualified as a Microsoft MSSP (Managed Security Service Provider) partner (2023)
- Acquired Google Cloud Data Analytics Service Specialization certification (2023)
- Received the 2023 Korea Digital Advertising Awards in the Ad Tech and Search Performance categories (2023)

Financial Status

(as of the end of 2024)

Total Assets	Total Equity	Sales	Operating Profit	Credit Rating
KRW 4,504.5 billion	KRW 2,122.8 billion	KRW 5,982.6 billion	KRW 512.9 billion	AA- Corporate bonds

Milestones

1987-2001 Foundation and Growth

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

2002-2017 Leap and Development

2002 Changed company name to "LG CNS"
2003 Became first in the world to acquire eSCM[3] Certification
2007 Opened Sangam IT Center
2013 Opened Busan Global Data Center

2018-present Leading Digital Innovation

2018 Relocated LG CNS HQ to the Magok LG Science Park
2020 Landed Sejong Smart City Construction Project
2021 Launched first and largest cloud transition in APAC
2023 Became first in Korea to launch a Generative AI project in the financial sector
2024 Officially launched Indonesia joint venture "LG SinarMas"
2025 IPO (Initial Public Offering)

1) SaaS (Software as a Service) : A method of software delivery in which software is accessed online on a subscription basis, so that the user can pay for only what they use through accessing the cloud, rather than buy software on their own devices
2) ERP (Enterprise Resource Planning) : An integrated information system that strengthens corporate competitiveness
3) eSCM (e-Sourcing Capability Model) : A globally renowned outsourcing quality assessment model developed by Carnegie Mellon University

Company Overview

Global Network

LG CNS operates overseas business sites in the U.S., Europe, China, and more.

Domestic Operations

Seoul Magok LG Science Park (HQ)
Sangam DDMC
Jeungmi DXP Center

Data Center

- Sangam IT Data Center
- Gasan Data Center
- Busan Global Cloud Data Center
- Incheon Data Center

Global Operations

	Date Established
China (LG CNS China Inc.)	2001. 05
Europe (LG CNS Europe B.V.)	2003. 01
The U.S. (LG CNS America Inc.)	2003. 07
India (LG CNS India Pvt. Ltd.)	2004. 07
Indonesia (PT. LG CNS Indonesia)	2006. 01
Brazil (LG CNS Brasil Servicos de TI. Ltda.)	2006. 01
Colombia (LG CNS Colombia SAS)	2011. 12
Malaysia (LG CNS Malaysia SDN BHD)	2013. 02
Japan (LG CNS Japan Co., Ltd.)	2013. 12
Greece (LG CNS Greek Branch)	2015. 01
Uzbekistan (LG CNS Uzbekistan, LLC)	2015. 04
Vietnam (LG CNS Vietnam Co., Ltd.)	2017. 01
Singapore (LG CNS Singapore SDN BHD)	2023. 09
Saudi Arabia (LG CNS Saudi Arabia Branch)	2024. 02
Indonesia LG SinarMas Joint Venture	2024. 07
Kenya (LG CNS Co., Ltd.)	2025. 01

Vision and Strategy

Vision and 2025 Management Policy

LG CNS has solidified its position as the most trusted "Digital Business Innovator" for our clients. We are now taking the next step, evolving beyond our status as Korea's leading DX company to become a global AX specialist, with our No.1 AX core technologies, including AI, big data, and cloud computing.

A First Mover in Future Innovation Technologies

- Become an AX specialist capable of applying AI to all business sectors
- Prepare for future businesses such as Agentic AI and robots by strengthening capabilities of sensing market and competitors
- Discover new business offerings such as innovative technology services

Creating Tangible Business Value for Clients

- Secure thought leadership by enhancing industrial and consulting capabilities
- Proactively identify and respond to unmet needs by expanding client outreach
- Provide customized solutions designed to enhance the value of our clients' businesses

Evolving into a Global Player with Sustainable Growth

- Accelerate global market entry, taking regional characteristics into consideration
- Embed world-class offshore/onshore delivery practices by standardizing work processes and expanding collaboration tools
- Convert to an implementation system centered on overseas subsidiaries and GDC

2025 Key Priorities and Strategies

Advancing Beyond DX to Become a First Mover in AX

LG CNS is at the forefront of various business innovations based on AX, a core element in the sustainable growth of enterprises. In January 2024, we integrated our AI research and business organizations and elevated to an AI Center to drive AX business initiatives. In March 2025, we entered into a partnership with Cohere, a technology leader in the LLM[1] field, to spearhead the development of an Agentic AI ecosystem in Korea. We aim to solidify our position as an AX first mover by creating business value across diverse areas through swiftly discovering, validating, and applying AI service use cases with the AX Discovery and GenAI Factory programs, and expanding AX business experience tailored to specific industries and tasks.

Signed strategic partnership with Cohere

Building a Foundation to Grow as a Global Player

Established joint venture with Indonesia's SinarMas Group

LG CNS is targeting overseas markets by developing business models that consider local characteristics, focusing on competitive offerings. Since July 2024, we have secured local business opportunities through a joint venture (JV) with Indonesia's SinarMas Group, and are expanding our cloud and data center businesses in Southeast Asia. We are developing customized versions of PerfecTwin (real transaction-based verification automation solution) ERP Edition and Optapex (marketing optimization service) for enterprise software and distributing them in the North American market. In addition, we plan to expand our global presence by offering financial DX, transportation, and city services.

Promoting Innovation in the Delivery Processes

LG CNS is accelerating the innovation of delivery processes to improve work efficiency and focus on providing substantial customer value. We have established Build Centers in Vietnam, Indonesia, and India, and are developing a GDC (Global Delivery Center) operating system. We also are leveraging AIDD (AI-Driven Application Development) to advance our business practices in development work. Beyond these efforts, we are accelerating the transition to a CoE (Center of Excellence) delivery processes centered on regional subsidiaries and GDCs to prioritize a timely response to overseas clients.

Build Center in Vietnam

1) LLM (Large Language Model) : A large deep learning model trained on vast amounts of data

Sustainable Management Performance

Strategic Action for Sustainability Management

LG CNS has been pursuing practical efforts to ensure our sustainability, including obtaining ISO (International Organization for Standardization) certification, AX Social Contribution, and Jeong-Do Management for ESG management. We communicate regularly with the full range of our stakeholders, from our clients to our suppliers, shareholders, and employees. LG CNS will continue to create customer value that goes beyond DX (Digital Transformation) through AX (AI Transformation) in all our businesses, and fulfill our social responsibility to create a sustainable future.

Action Plan

AX Specialist Creating a Sustainable Future

Key Activities

Environmental Management

- Manage carbon emissions for each business site (based on Scope 1 and 2)
- Operate eco-friendly IT systems
- Implement energy-saving activities

Social Responsibility

- Operate a competency-based HR system and employee-customized welfare system
- Provide free AI education to students in remote and rural areas and schools for students with disabilities
- Establish company-wide safety and health management system/resolve harmful and risky factors in the project site
- Establish administrative, physical, and technical security systems/protect intellectual assets

Governance

- Operate fair trade portal/pledge to prevent cartels
- Operate Jeong-Do Management guidance board/post Jeong-Do Management violation cases
- Operate irregularities reporting channels and a reward system for reporting

2024 ESG Key Figures

The key data for LG CNS' 2024 achievements in each area of ESG are shown below.

Environmental

Energy savings at data centers
111.8 TJ
(Previous year's saving : 94.5 TJ)

Reduced carbon emissions with green IT systems
5,347 tCO_2eq
(Previous year's reduction : 4,520 tCO_2eq)

4 Data centers (Sangam/Busan/Gasan/Hanam)
Acquired **ISO 50001** Certification

Employee

Average training cost per person
About KRW 1 million

Ratio of female employees
About 26 %

Total voluntary turnover rate
About 2.7 %

2024 ESG KEY FIGURES

Customer

Customer data breaches
0 case

Client satisfaction index
82.2 points
(Previous year's record : 75.8 points)

ISO 27001 Certification (2013~)
ISMS Certification (2017~)

Community

4 Data centers (Sangam/Busan/Gasan/Hanam)
Acquired a certification as an **Excellent Disaster Mitigation Company**
(2025)

Social contribution investment amount
About KRW 2.5 billion

Highest grade in the corporate partnership index
For 7 consecutive years

Double Materiality Assessment

Assessment Overview

LG CNS has conducted a double materiality assessment that considers environmental, social, and financial aspects. This assessment complies with the revised GRI[1] Standards 2021 and applies the materiality assessment methodology of CSRD[2]. For major sustainable management topics, specific details were defined for each issue, followed by an analysis of the impact, risk, and opportunity associated with each issue. Through this process, we identified the positive/negative impacts that LG CNS can have on the environment and society, and the risk/opportunity factors that can affect LG CNS. In addition, we conducted FGI[3]s with relevant teams to enhance the reliability and validity of the materiality assessment results.

Double Materiality Assessment Process

① Understanding the company and its stakeholders

- Understand corporate activities and business
  - Identify vision and mission
  - Analyze key services and businesses
- Understand stakeholders
  - Identify key stakeholders

② Deriving sustainable management items

- Derive issues to consider the environmental, social, and financial impacts that may affect the company's activities
- Classify issues by comprehensively considering ESG regulatory trends, other companies practices, etc.

③ Conducting materiality assessment and prioritizing

- Assess the derived environmental & social materiality and financial materiality

Environmental & social materiality

- Analyze ESG standards such as GRI and UN SDGs
- Analyze domestic and international peers
- Analyze over 1,000 media research articles
- Conduct stakeholder survey

Financial materiality

- Analyze ESG standards such as GRI and UN SDGs
- Analyze domestic and international peers
- Conduct stakeholder survey

④ Deriving and analyzing IROs for major material topics

- Conduct an FGI with relevant teams for major sustainability management topics
  - Assess environmental & social materiality (positive/negative)
  - Assess financial materiality (risk/opportunity)
- Derive directions for responding to major sustainability management issues

1) GRI : Global Reporting Initiative
2) CSRD : Corporate Sustainability Reporting Directive
3) FGI : Focus Group Interview

Double Materiality Assessment

Double Materiality Assessment Results

LG CNS assessed a total of 13 key sustainability management topics using media analysis, comparison of peer company ESG strategies, domestic and international regulatory analyses, and internal and external stakeholder surveys, referring to major global ESG disclosure standards and evaluation indicators such as GRI and SASB. Each topic was evaluated based on its impact on sustainability and financial relevance. Through this assessment, "Information Security and Personal Information Protection," "Technology Innovation," and "Human Capital Management" were selected as the top three material issues.

Rank[1]		Material Topics[2]	Environmental & Social Materiality	Financial Materiality	Overall	Reporting Page
1	-	**Information security and personal information protection**			●●●	68-74p
2	▲	**Technology innovation**			●●●	15-42p
3	▲	**Human capital management**			●●●	58-62p
4	▼	Compliance			●●◐	92-94p
5	▲	Client satisfaction			●●◐	85-87p
6	-	Transparent and sound corporate governance			●●◐	89-91p
7	New	Risk and crisis management			●●○	95-97p
8	-	Growing together with partners			●●○	82-84p
9	▲	Eco-friendly digital services			●◐○	44-49p
10	▼	Human rights management			●◐○	63-67p
11	▼	Safety and health management			●◐○	75-78p
12	▼	Response to climate change			●○○	52-56p
13	-	Contribution to the community, and social contribution			●○○	79-81p

1) Indicates change in rankings compared to the 2024 materiality assessment (▲, ▼, -)
2) For clarity and precision, the names of some material topics have been changed from the previous year's report.

Double Materiality Assessment

IRO Analysis Result

Sustainable Management Topic	Definition	Environmental & Social Materiality		Financial Materiality		Response Direction
		Positive Impact	Negative Impact	Opportunity	Risk	
Information security and personal information protection	• Strengthening security measures to protect personal and client information • Establishing security monitoring and incident response systems	• Ensure the reliability of IT systems in administration, finance, etc. by improving the overall security levels of society • Prevent crimes resulting from hacking and information leaks by strengthening personal information security • Minimize the resources required for post-incident response by conducting proactive information security prevention activities	• User inconvenience and costs increased by complex security authentication procedures • Additional investment incurred due to enhanced information security to prevent information leakage	• Enhance clients' trust and business competitiveness by strengthening information security technology and protecting personal information • Increase new business opportunities by providing customized security services in new technology areas	• Increased fines and compensation for damages due to stricter information protection laws and regulations • A security incident causes customer loss, a decline in competitiveness and a falling stock price	• Conduct in-depth analyses of potential security incidents in various industries and technological areas, including regular vulnerability checks, and establish defense strategies • Enhance the security architecture and the operational system management framework to prepare for increasingly sophisticated and diverse external attacks • Develop region-specific information security business models and response systems to respond to the global market *Reporting pages : 32~34p, 68~74p
Technology innovation	• Implementing company-wide activities to strengthen IT competitiveness in order to proactively achieve AX technology innovation, such as AI and cloud	• Enhance convenience and efficiency of citizens' lives and support the resolution of environmental and social issues by developing AI technology • Increase digital accessibility by introducing cloud and AX technology	• Emergence of new social issues related to AI ethics and digital responsibility • Increased likelihood of technology-related issues due to the expanded application of cloud and AX technologies	• Acquire new business opportunities by developing new business models and entering global markets with AI technology capabilities • Increase business opportunities associated with the growth of cloud computing/network services	• Aggressive investment burden due to intensifying competition in the AI market • Direct financial losses and a decline in corporate credibility due to cloud or network incidents	• Identify business areas in which AI technology can be applied and develop customized services to lead the AI business • Expand global business by strengthening AI business models and collaborating with big tech companies • Invest in services and solutions across various industries and introduce the latest technologies to secure clients and minimize the risk from intensifying competition *Reporting pages : 15~42p
Human capital management	• Strengthening employee competencies by hiring experts and providing ongoing education and training • Ensuring an appropriate working environment and work-life balance for all employees	• Diverse and systematic talent management for training employees to contribute to social development and problem-solving • Contribute to the stable social engagement of our members by providing extensive welfare programs and a safe work environment	• Fall behind in the global market and cause a widespread crisis throughout the domestic IT industry if the company neglect employees training on rapidly developing IT trends, leading to a decline in employee capabilities	• Improve operating profit by enhancing work productivity through education • Enhance project implementation quality and mitigate financial risks by strengthening core competencies • Generate achievements by improving employee satisfaction and work capabilities	• Increased possibility of losing talented personnel, resulting in recruitment and labor costs due to intensifying competition for AX talent both domestically and internationally	• Strengthen the competitiveness and vision of our AX business by collaborating with industry leaders (AWS, Cohere, etc.) • Strengthen the talent development system by offering training programs tailored to specific jobs, roles, and areas, such as job-specific technical training, leadership training, and language training, as well as various training programs aligned with the latest IT trends, such as AX • Secure talented individuals across various fields in line with the company's needs by conducting flexible, proactive, and aggressive recruitment activities *Reporting pages : 58~62p

LG CNS DIGITAL SOLUTIONS

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Technological Innovation of LG CNS

Leading AX (AI Transformation) by Internalizing Key AI Technologies

Beyond leading digital transformation (DX), LG CNS aims to become a company that best applies AI transformation (AX), with the goal of "securing and strengthening its position as a dominant AI service provider in Korea." AX refers to a business transformation that actively utilizes AI, including generative AI, to enable companies to achieve sustainable competitiveness. It plays an essential role in value innovation by transforming the business model, supporting strategic decisions, enhancing operational efficiency, improving the customer experience, and offering differentiated products and services. LG CNS wants our clients to secure a competitive advantage by developing into constantly evolving, dynamic companies through AX, and we aim to become a world-leading AX service provider that leads AX in all areas for our clients, with differentiated AX expertise and technologies.

Goals and Directions

Secure and strengthen LG CNS' position as a dominant AI service provider in Korea

Trustworthy	Productivity	Scalability
Delivering a clear message to the market about the direction of our AI business	Aggressively acquiring use cases[1] and business projects by industry, task, and type	Securing competitiveness and experts in AI technology
Identify Use Cases	**Secure Offering and Technology**	**Train and Develop Experts**
• Achieve a dominant position of leadership in each industry by identifying the most client use cases and delivering and implementing industry-specific best practices • Expand application of AI business aggressively and secure and disseminate best practices	• Gain a market-leading position by securing vertical offerings in each value chain, taking the technological lead, and securing competitiveness in service delivery • Continue to acquire new technologies and service offering capabilities to ensure AI platform competitiveness and CSP[2] based competitive advantage	• Accelerate the development of AX experts to improve business agility and delivery competitiveness • Define the full spectrum of roles and competencies required for AX business • Secure a pool of experts by developing core AX experts

1) Use case : Case in which technologies, systems, and services can be applied
2) CSP : Cloud Service Provider
3) Agentic AI : A type of AI technology that autonomously makes decisions and solves complex problems by independently creating plans, taking action, and evaluating results to achieve specific goals, rather than simply answering questions and generating reports
4) Open-source LLM (Large Language Model) : A large language model (LLM) that anyone can freely modify and utilize with open-source code or algorithms (examples : LG AI Research's EXAONE 3.5 and Meta's Llama)

Key Activities and Achievements

Strengthening Cooperation with Global AI Companies

LG CNS aims to become a leading AX specialized company in the global market by establishing partnerships with global AI companies. In March 2025, LG CNS became the first company in Korea to establish an AX partnership with Cohere, a global AI unicorn company founded by former Google AI researchers, to jointly develop agentic AI[3] services customized for Korean companies. In addition, we signed an MOU with Weights & Biases (W&B) at Silicon Valley, to strengthen our agentic AI operational capabilities, and will conduct joint research and development to optimize the operation and performance of agentic AI services and discover new business opportunities to achieve early dominance in Korea's agentic AI market.

Signing MOU with W&B

Operating "AI 100 in 100" Program

Through the "AI 100 in 100" program, LG CNS is systematically collecting its own AI use cases across all industries and value chains to accelerate AX with its clients. The key objective of the "AI 100 in 100" program is not just to collect cases, but to discover new business opportunities and secure customized AI-based services by strengthening our end-to-end service delivery capabilities. This will help companies accelerate their digital transformation and create innovative outcomes through AI.

Leading AX for the Financial Industry

Developing customized AI evaluation tool for the financial sector

LG CNS is leading AX in finance by continuing to use generative AI to transform the business of many financial companies. In 2025, we developed a finance-tailored AI evaluation tool to help financial companies easily choose the best open LLM[4] for their AI adoption. The tool evaluates the financial knowledge-based reasoning, mathematical reasoning, and document summarization capabilities of dozens of publicly available open LLMs to find the most suitable AI model for financial services, including banking, insurance, and securities.
LG CNS is also providing differentiated customer value for financial companies by building generative AI platforms and operator response systems based on generative AI, and developing LLM-based sales branches.

Technological Innovation of LG CNS

LG CNS Key Services

LG CNS has outstanding references through sufficient experience in various industries, including finance, public sector, retail, logistics, electronics, manufacturing, chemicals, and telecommunications, as well as latest technologies, such as AI, big data, and cloud computing. Going beyond the digital transformation (DX), LG CNS supports the business innovation and growth of clients with the No.1 AX core technology and project experience accumulated in various industries.

Digital Business Innovator

LG CNS, innovating and growing together with clients through cutting-edge technology

Domain Expertise	Service Offerings	Solutions
Finance Mobile banking, Super apps, InsurTech[1] etc.	AI/Big data Smart factory	MOP* (Digital marketing) PerfecTwin* (Test automation)
Manufacturing Process automation, Inventory optimization, Predictive maintenance	Cloud computing Smart logistics	DAP (AI, Big data) Factova (Smart factory)
Logistics · Distribution Logistics automation, Supply chain automation, Customer behavior analysis	Digital CX Smart city	CloudXper (Cloud) Cityhub (Smart city)
Public · Safety Digital government, Security, Environment, ESG	Data center Transportation	SecuXper (Security) Monachain (Blockchain)
City · Transportation Smart city, Smart transportation	Security ESG	INFioT (IoT) SINGLEX (SaaS Platform)

* Enterprise SW Business

At the core of innovation lies our "No.1 AX core technology"

Cloud CloudXper ProOps	Providing end-to-end cloud services, including diagnosis, consulting, migration, operation, and cost optimization
AI DAP GenAI	A generative AI platform designed for enterprises improving business productivity and customer service
Data EDP(Enterprise Data Platform)	Providing end-to-end services based on big data and analytics technologies
Data Center AI Data Center	Offering total life cycle services specializing in customized data center consulting, design, construction, and operation
Security SecuXper	Providing IT/OT/AI security consulting, implementation, operation, control, and maintenance services
Smart factory Factova	Strengthening competitiveness within the value chain of hyper-connected, hyper-automated, and hyper-intelligent manufacturing processes
Smart Logistics Total Logistics Solution	Realizing hyper-automation based on intelligent logistics centers and optimized logistics robots
Smart City Cityhub	Designing, building, operating, and exporting smart cities based on an AI data hub platform
DX/AX Consulting Entrue Consulting	Providing DX, business innovation, and CX services across all industries and throughout the entire journey of our clients' businesses
SaaS Platform SINGLEX	Delivering the best global solutions desired by clients in an integrated service format
Test Automation PerfecTwin	Enabling parallel verification based on real transactions for IT system development and performance testing
Digital Marketing MOP(Marketing Optimization Platform)	Providing a platform for optimal marketing using AI and mathematical optimization technology

1) InsurTech : A business sector that innovates insurance services by combining insurance and technology

Technological Innovation of LG CNS

R&D Activities for Technological Innovation

LG CNS pursues innovation in various technologies ranging from generative AI to next-generation infrastructure, robotics, enterprise software, Web3, security, and industry-specific solutions, with AI transformation and robotics transformation as key strategies. Through this approach, we are aiming to proactively address the rapidly changing technological environment and diverse business needs of our clients, while creating sustainable value.

Category	Field of Research	Research Activities
AI/Data	• Generative AI[1)] • Agentic AI[2)] • AI/Data platform • AI Algorithms (language, image/video, sound/vibration recognition, etc.) • AIDD(AI-Driven Development)[3)]	• Acquire core technologies of generative AI (LLM, LMM[4)], LAM[5)], VLM[6)], RAG[7)], etc.) • Develop various industry-specific solutions based on generative AI (manufacturing, finance, public sector, services, etc.) • Secure generative AI platform (language/image generation, operation and management of generative AI model, etc.) • Acquire agentic AI technology and asset (data curation, advanced RAG, LLM fine-tuning, evaluation, etc.) • Develop an AI-based customer data platform (CDP) • Secure the underlying AI technologies commonly required for AI applications • Build AI-based development models/tools to improve software development productivity and quality
Cloud/Infrastructure	• SaaS Platform • 5G-specialized network	• Develop intelligent services by applying AI optimization to SINGLEX • Develop private 5G network solutions and commercialize • Implement a standard development environment for generative AI based on CSP (Cloud Service Provider)
Robotics	• Autonomous Mobile Robot (AMR[8)]) • Robot service platform • Physical AI[9)] • Intelligent robot (Humanoid robot)	• Acquire logistics robot solutions by developing autonomous mobile robots • Secure differentiated autonomous mobile robot technology through robot simulation[10)] in 3D virtual environments, and robot training • Secure integrated robot operation platform and robot control software technology • Secure technologies for implementing intelligent robots based on physical AI
Enterprise software	• MarTech[11)] (digital marketing optimization platform) • Test automation solution	• Operate global advertising budget/bid optimization algorithms and operating systems • Develop differentiated IT system pre-verification solutions based on actual transaction data
Web3	• Web3[12)]–based Digital Trust	• Verify the interoperability technology and transaction confidentiality technologies for digital trust in CBDC[13)] and STO[14)] businesses
Security	• Cloud managed security service	• Develop solutions for attack surface management, detection and security using AI technology
Industry-specific solutions	• Industry-specific solutions for manufacturing, logistics, finance, etc.	• Develop industry-specific solutions by combining project experience in diverse industries such as smart factory, smart logistics, vertical farming[15)], manufacturing, and healthcare with IT

1) Generative AI : AI technology that generates new content based on users' prompts or requests
2) Agentic AI : An autonomous AI system that executes tasks by combining functions such as work planning, tool use, and safety guideline compliance, to achieve goals independently without human intervention
3) AIDD (AI Driven Development) : A development methodology that integrates AI-based models and tools throughout the software development life cycle
4) LMM (Large Multimodal Model) : A model capable of integrating and processing various types of data, including text, image, and audio
5) LAM (Large Action Model) : A model capable of operating the web and apps directly by learning user behavior patterns
6) VLM (Vision Language Model) : A model capable of integrating visual input and natural language text for processing
7) RAG (Retrieval-Augmented Generation) : A process that optimizes the output of LLMs by referring to a reliable external knowledge base to generate accurate and consistent responses
8) AMR (Autonomous Mobile Robot) : A robot that can plan its own route and move autonomously
9) Physical AI : A technology that uses artificial intelligence in physical environments to enable robots and machines to interact with humans
10) Robot simulation : A series of processes that allows for the testing of robot software without the use of actual robots by placing virtual robots in a virtual environment
11) MarTech : A compound word combining "marketing" and "technology"; refers to the software technology that marketing professionals use to optimize marketing activities and achieve goals
12) Web3 : Next-generation web technology that uses blockchain technology to implement a decentralized internet and strengthen data ownership and privacy for users
13) CBDC (Central Bank Digital Currency) : A digital form of a country's official currency, issued by the central bank
14) STO (Security Token Offering) : A method of issuing and selling assets in the form of digital securities by providing blockchain-based tokens that offer investors legal rights
15) Vertical farming : An agricultural technique in which crops are grown in vertically stacked layers, with environmental conditions precisely controlled to produce plants in a planned manner regardless of season or location

DAP

LG CNS AI/Big Data Solution

DAP[1] is LG CNS' strategic brand of multi-cloud[2] -based AI platform. DAP supports all areas of AI and big data, from defining analytical tasks to machine learning, deep learning model development, and generative AI utilization/operations. In addition, DAP is an AI platform that has been optimized for enterprises, allowing anyone to easily collect data to develop and operate AI models. With DAP, clients can quickly and easily achieve digital transformation.

As companies accelerate their digital transformation using generative AI, not only the adoption of MLDL and Vision AI, but also the adoption of generative AI platforms is increasing. Notably, the growing demand for generative AI has led to an increased need for platforms that enable companies to effectively build and manage generative AI services, rather than just utilizing AI models. In response, LG CNS has developed a platform that helps companies leverage generative AI based on their internal knowledge assets.

2024 Performance

Following the launch of DAP GenAI Text in October 2023, LG CNS released DAP GenAI Knowledge Lake and DAP GenAI Image in April 2024. These releases demonstrate LG CNS' commitment to leading AI innovation by leveraging companies' knowledge assets. As a result, 12 new clients adopted DAP solutions in 2024, demonstrating the continued growth of the platform. Significantly, DAP GenAI Knowledge Lake goes beyond simply storing internal documents and transforms them into knowledge, to build an AI pipeline capable of meaning-based search.

This allows companies to effectively implement RAG (Retrieval-Augmented Generation)[3] services and swiftly make informed decisions based on internal knowledge powered by AI.

In addition, DAP is expanding its influence from the domestic to the global market. We have successfully entered the Japanese market and secured overseas references. Based on these achievements, we are strengthening our position in the global AI solutions market.

2025 Strategic Directions

In 2025, LG CNS aims to support the AX (AI Transformation) of companies by expanding the use of Agentic AI technology. We will help companies operate their business processes and systems more autonomously and intelligently, thereby realizing business automation, improved customer experience, and advanced business decision-making.

Instead of merely adopting, DAP will become a core partner in AX strategies that accelerate business value creation and growth. Through this, DAP will spearhead AI innovation in both the domestic and global markets.

DAP MLDL[4]

DAP MLDL is an enterprise-fit AI analytics platform based on MLOps[5] that supports the AI life cycle to realize successful DX (Digital transformation).

With DAP MLDL, clients can easily and quickly develop machine learning and deep learning models, and advance their intelligent services through training-deploying-operating-retraining function.

Key Features of DAP MLDL

Most Customers, Best Expertise	Enterprise-Fit MLOps Platform	No Code, Just Clicks For Everyone
• GS Certification[6], Digital Service[7] acquisition • 30+ clients from finance, manufacturing, public sector • Experience with nearly 200 projects	• Strong governance management • Provides analysis (ML) and operations (Ops) web portals • Reliable operations based on real-time inference • Retrain/Drift[8] sensing-based model improvement	• Provides GUI[9]-based low code analysis environment • Develop/deploy no code model • Provides Vision function for image analysis • Provides reusable models that can be deployed immediately

1) DAP (Data Analytics & AI Platform) : Strategic brand name for LG CNS' AI/big data analysis platform
2) Multi Cloud : A model consisting of two or more public clouds
3) RAG (Retrieval-Augmented Generation) : A process that enables accurate and consistent responses by optimizing the output of large language models through referring to a reliable external knowledge before generating responses
4) MLDL : An abbreviation for "Machine Learning" and "Deep Learning"
5) MLOps (Machine Learning Operations) : A techonolgy that assists in optimization to make development easier and more convenient in each stage of the entire development process of machine learning
6) GS Certification (Good Software Certification) : Software quality certification
7) Digital Service : A specialized digital service system certified by the National Information Society Agency and the Ministry of Science and ICT
8) Drift : Changes in data that cause models to degrade in performance
9) GUI (Graphical User Interface) : An environment in which users can work through graphics when exchanging information with a computer

DAP Vision

DAP Vision is a platform specialized for AI Vision that enables AI model training and judgment on image-based data. Clients can easily and conveniently train deep learning models with the user-friendly UI[1] / UX[2], and the generated AI models can be quickly applied to various industrial sites, such as defect detection in manufacturing factory lines and automatic cargo sorting in logistics to improve clients' business productivity.

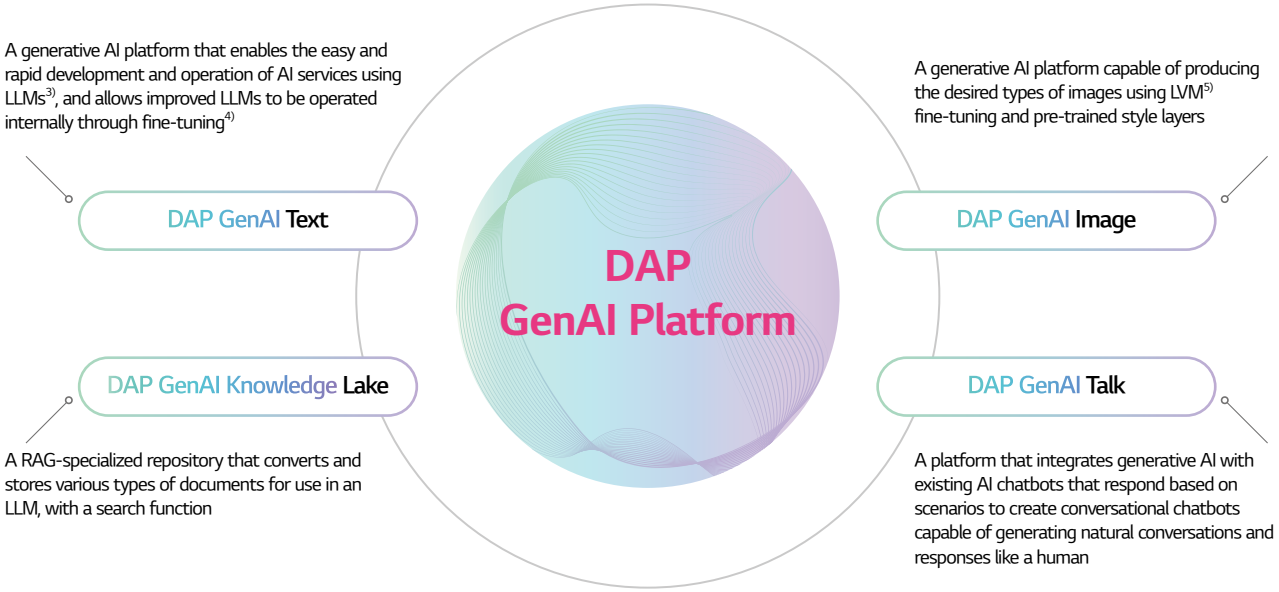
Key Features of DAP Vision

AI Full Lifecycle	• Providing seamless MLOps pipeline • Allowing users to train models with an easy-to-use UI • Providing expert features such as custom model creation
Large/Zero-downtime Inference	• Deploying and managing online models to field facilities • Replacement and deployment of models with no downtime • Providing linkage to large-scale judgments and integrated management
Flexible Architecture	• Flexibly configuring training/model operation management/edge inference • Configuring customized architectures (Cloud/On-premises) • Supporting Multi/Hybrid Cloud

DAP GenAI

DAP GenAI is a platform that supports the safe and rapid development and operation of enterprise generative AI services by utilizing corporate information assets. Equipped with various service scenarios, DAP GenAI realizes business intelligence through generative AI by developing enterprise AI services using customized, company-specific models and providing systematic governance across the entire organization.

DAP GenAI Lineup



Key Features of DAP GenAI

Use of Corporate Information Asset	Privacy/ Security	Easy and Quick Service Development	Reliable Answer	Fit for Enterprise	Application AI Asset	Adaptable LLM	Flexible Architecture

1) UI : User Interface
2) UX : User Experience
3) LLM (Large Language Model) : A large deep learning model trained on vast amounts of text data
4) Fine-Tuning : The process of adjusting a trained AI model to fit a specific task or dataset
5) LVM (Large Vision Model) : A deep learning model focused on image data processing by training large-scale image data

DAP Talk

The DAP Talk solution allows anyone to easily and quickly create their own chatbot. It consists of natural language understanding, text recognition, a conversation flow engine, and operation management tools. In addition, it has been transformed into an efficient chatbot platform capable of integrating chatbots from multiple organizations. Powered by robust technology that can handle large volumes of simultaneous connections, the solution is recognized for its ability to manage a large amount of data from chatbots for customers/employees, as it has been providing a system that integrates the chatbots of multiple financial company affiliates.

DAP Talk provides AI chatbot solutions and generative AI integration services that have already been proven in various industries, enabling clients to swiftly develop and operate new conversational AI services. The DAP Talk platform integrates generative AI into chatbots to provide natural conversational services, including quick responses, client-friendly day-to-day conversations, answers based on analyses of vast amounts of internal data, document summarization, recommendations, and report generation. Companies can experience customized AI conversational chatbot services using the generative AI models of their choice.

Major Clients

Finance

- KB 캐피탈 (KB Capital)
- 신한카드 (Shinhan Card)
- 롯데카드 (Lotte Card)
- KB라이프 (KB Life Insurance)
- 우리은행 (Woori Bank)
- MIRAE ASSET 미래에셋증권 (Mirae Asset Securities)
- KB국민은행 (KB Kookmin Bank)
- NH농협 (NongHyup)
- meritz 메리츠화재 (Meritz Fire & Marine Insurance Co., Ltd.)
- KB손해보험 (KB Insurance)
- 신한금융지주회사 (Shinhan Financial Group)
- KB증권 (KB Securities)

Public

- 행정안전부 (Ministry of the Interior and Safety)
- 국세청 (National Tax Service)
- 대법원 (Supreme Court of Korea)
- 검찰 (Prosecution Service)
- 경찰청 (Korean National Police Agency)
- 법무부 (Ministry of Justice)
- 해양경찰청 KOREA COAST GUARD (Korea Coast Guard)
- 인사혁신처 (Ministry of Personnel Management)
- KERIS (Korea Education and Research Information Service)
- SSIS 한국사회보장정보원 (Korea Social Security Information Service)
- 한국서부발전주식회사 (Korea Western Power Co., Ltd.)
- 전남농업기술원 (Jeollanamdo Agricultural Research & Extension Service)

Others

- AEON
- coupang
- 롯데글로벌로지스 (Lotte Global Logistics)
- Aimos

LG affiliates

- LG에너지솔루션 (LG Energy Solution)
- LG화학 (LG Chem)
- LG이노텍 (LG Innotek)
- LG디스플레이 (LG Display)
- LG연암문화재단 (LG Yonam Culture Foundation)

ESG Value Creation with DAP

Financial Value

- Reduce working hours and development costs by providing an environment to efficiently perform machine learning/deep learning
- Enhance business performance by establishing data-driven business strategies through improved data analysis and prediction
- Increase work efficiency and productivity with chatbots

Environmental Value

- Reduce unnecessary data utilization by increasing model reusability
- Minimize energy consumption by automating data analysis processes

Social Value

- Protect clients' data by ensuring data quality, and improve fair and transparent data processing for companies
- Enhance data reliability by ensuring the quality of data analysis for national organizations such as National Tax Service, and Supreme Court
- Narrow the digital divide by providing an easy and intuitive chatbot service

CloudXper

LG CNS Cloud Service

CloudXper is a cloud service brand that offers integrated professional cloud services (consulting-migration-native deployment-operation management) provided by LG CNS, Korea's leading DX company. The name CloudXper combines the word "Cloud" and "Xper," which stands for "Expert."

2024 Performance

LG CNS offers the best services in Korea to support clients throughout their transition to the cloud. We support our clients' journeys with cloud consulting, migration/implementation, application modernization (AM), and integrated operational services under our New MSP (Managed Service Provider) framework. We have also upgraded our service technologies by integrating AI into each area.

LG CNS is committed to delivering the maximum customer value by providing fast and reliable cloud migration and operation services based on our optimized processes and extensive project experience, as well as cloud cost optimization activities based on our FinOps[1] Clinic.

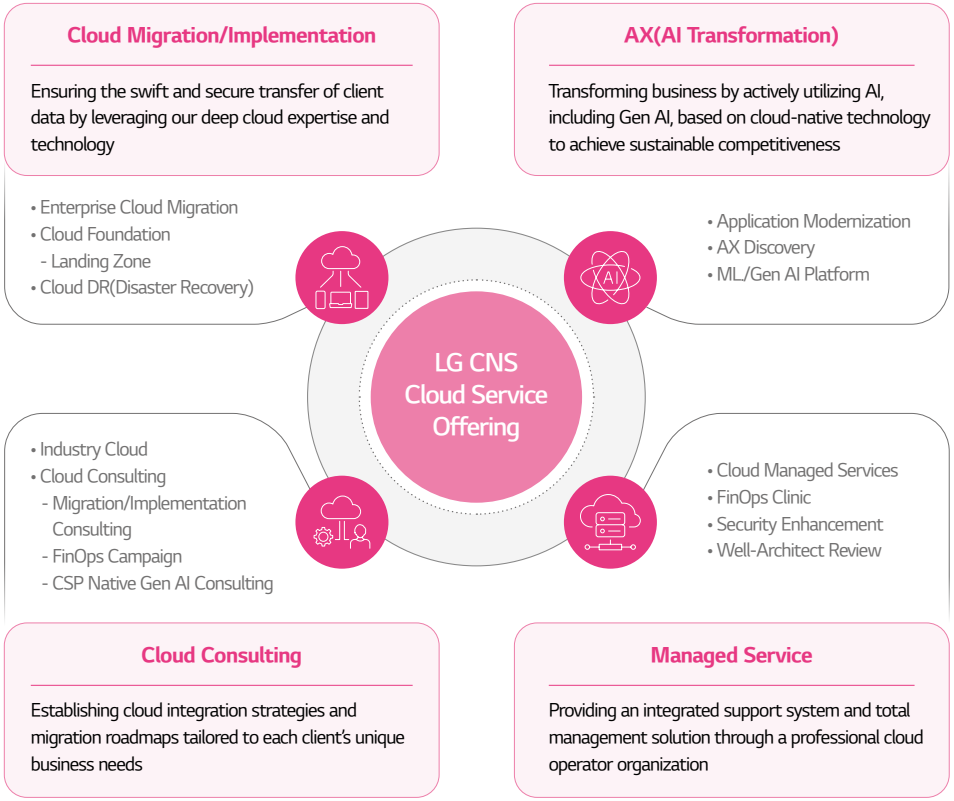
We are also the only MSP partner in Korea to have the highest-level partnerships with all three global CSPs (AWS, Azure, and GCP), solidifying our position in the domestic market. To expand our generative AI business, we became the first in the Asia-Pacific (APAC) region to achieve the GCP Generative AI certification and the first in Korea to earn the AWS Generative AI Competency. We are actively carrying out generative AI projects and PoC[2] based on the Google and AWS platforms to establish a solid foundation for becoming a leader in AI transformation (AX).

1) FinOps : A combination of "Finance" and "Operations," referring to the effective management and optimization of cloud costs to maximize business value
2) PoC (Proof of Concept) : The process of demonstrating and verifying on a small scale whether a new idea or technology can be realized and function as expected
3) AIOps : A combination of 'AI' and 'Operations' that refers to the use of AI, such as natural language processing and machine learning models, to perform IT operations more efficiently and effectively

2025 Strategic Directions

LG CNS aims to lead our clients' cloud-based AX growth, ensuring they have a successful transformation experience. We will secure our position as the top AX provider by expanding our AX service offerings and identifying practical use cases and best practices to help clients realize tangible value. Furthermore, we will solidify our leading position in the domestic enterprise market by offering differentiated cloud services and technical capabilities, such as AIOps[3] automation and FinOps optimization, and enhance our status as a top-tier comprehensive cloud service provider globally.

CloudXper Service Area



CloudXper ProOps Service Offerings

Professional Enterprise Operation/Monitoring

Operation
- Providing optimal multi/hybrid cloud operation
- Managing operation based on AI and improving quality continuously

Monitoring
- Providing an integrated monitoring and tuning service for next-generation infrastructures, applications, and databases

Client-specific Advisory

TAM(Technical Account Manager)
- Providing cloud-specialized TAM for proactive responses by detecting client needs

Well Architected Review
- Ensuring optimal operation and up-to-date architecture by holding a regular review board

CloudXper **ProOps**

Cloud Optimization

System optimization
- Providing technical support for app development in the database and middleware areas
- Providing an improved service performance and providing extended services in the cloud-native area

Cost reduction and resource optimization
- Managing cost savings through FinOps optimization
- Providing integrated cost analysis, commitment management, and optimized purchasing recommendations

Specialized Security Services

Security operations
- Operating cloud-native security service and third-party security

Security monitoring
- Monitoring and responding to users and resource anomalies occurring in the cloud environment

Major Clients

Aviation/Retail/Automotive/Shipbuilding/Construction

KOREAN AIR
SUMMERCE PLATFORM
NC (NCSOFT Corporation)
GS 리테일 (GS Retail)
HONDA
Gmarket
NS홈쇼핑 (NS mall)
NEXON
HANJIN
HD현대 (HD Hyundai)
GS 건설 (GS E&C)

Public

국가정보자원관리원 (National Information Resources Service)
KR (Korea ratings)
한국고용정보원 (Korea Employment Information Service)
특허청 (Korean Intellectual Property Office)
LH 스마트시티 새롭 국가 시범도시 (Smart City Sejong)
인사혁신처 (Ministry of Personnel Management)
대한민국 국방부 (Ministry of National Defense)

Finance

KB 국민은행 (KB Kookmin Bank)
한화생명 (Hanwha Life)
KEB 하나은행 (KEB Hana Bank)
KB 국민카드 (KB Kookmin Card)
우리은행 (Woori Bank)
bithumb
KB 손해보험 (KB Insurance)
kakaobank
AIG 손해보험 (AIG Korea Inc.)
신한은행 (Shinhan Bank)
pay kakaopay

Manufacturing/Chemical/Telecommunications

LG 전자 (LG Electronics)
LG U+
LX 하우시스 (LX Hausys)
LG 화학 (LG Chem)
LG 생활건강 (LG H&H)
LX 판토스 (LX Pantos)
LG 에너지솔루션 (LG Energy Solution)
LG 디스플레이 (LG Display)
LS

ESG Value Creation with CloudXper

Financial Value
- Gain visibility and efficient tracking of cloud resources to reduce IT investments, improving clients' financial efficiency
- Enhance corporate competitiveness through cloud-based digital transformation

Environmental Value
- Reduce enterprise resources and energy usage with always-on cloud resource optimization services

Social Value
- Accelerate user adoption of the cloud by lowering technology barriers with flexible multi-cloud management services

Factova

LG CNS Smart Factory Platform

Factova[1] is an integrated manufacturing ICT platform that combines the manufacturing expertise of LG Group affiliates. Having led smart factory construction projects for more than 60 domestic and international companies, LG CNS has now upgraded its smart factory technology, which had previously been focused on factory automation, by applying new information technologies to enhance factory intelligence.

LG CNS has implemented factory intelligence for its clients by applying technologies such as AI, big data, and IoT throughout the product manufacturing process. This standardizes business processes in the same industry and spreads them quickly and systematically to maximize the competitiveness of manufacturing companies. Factova consists of three areas : data, data information and intelligence. The data area collects data from various facilities and sensors to enable control. The data information area manages the entire manufacturing life cycle from planning to management. The intelligence area applies the latest technologies such as AI and big data to the collected data to make decisions for optimization.

Factova uses proven know-how from various industrial sites, including automotive, electronics, and construction machinery. In addition, Factova has standardized the production line to enable quick responses to rapidly changing market conditions. By modularizing the production lines of different factories, production lines can be easily added and combined depending on market conditions. Factova is designed to maximize work efficiency for factory users and manufacturing sites through a user-centric system that complies with international standards and integrates various types of data.

1) Factova : A compound word combining the words "factory" and "value", Factova is a strategic brand that aims to provide differentiated customer value through the realization of a data-based, real-time autonomously operating factory
2) Digital Twin : A technology that copies and represents physical objects (things, spaces, environments, processes, procedures, etc.) as digital data on a computer, allowing them to interact with the physical objects in real time
3) AIDD (AI Driven Development) : An innovative development approach that applies AI technology throughout the entire process of analysis, design, development and testing, by leveraging various AI assistants, to optimize implementation processes

2024 Performance

LG CNS is implementing and expanding ultra-intelligent, ultra-automated factory systems for our clients through Factova, a smart factory solution that can respond to the rapidly changing manufacturing paradigm.

By applying new technologies such as AI, Digital Twin[2], and IoT throughout the entire manufacturing process, we have built an intelligent factory environment and we have standardized the manufacturing environment through a platform service that enables integrated operations by leveraging our proven know-how from various industrial sites.

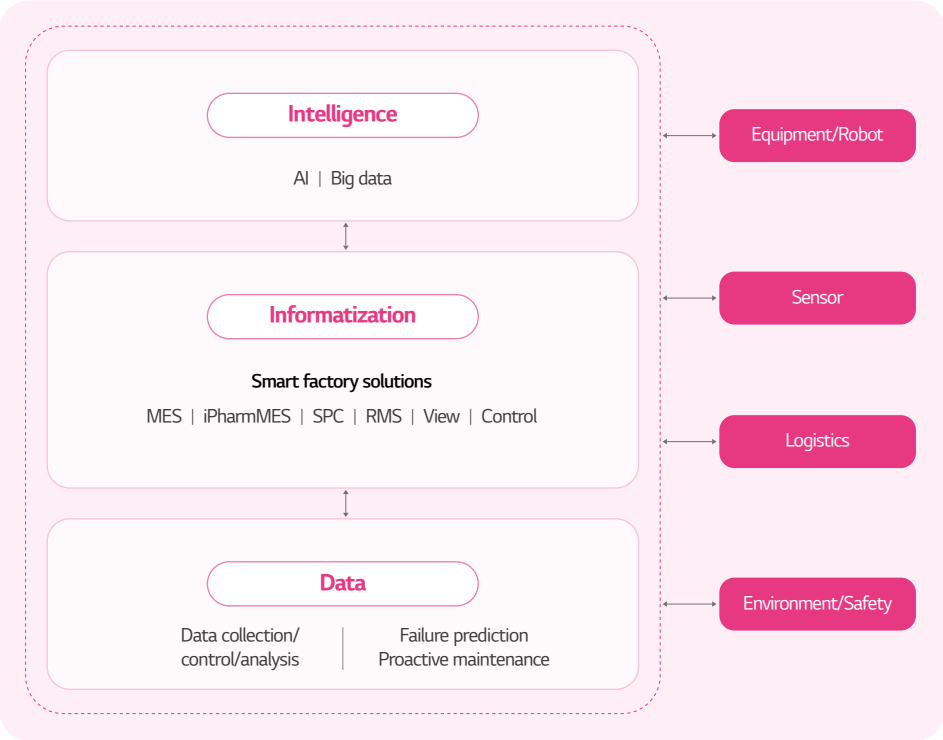
In 2024, we aim to enhance the virtualization and intelligence services of the Factova solution to implement an advanced solution, while reconstructing the next-generation MES system to create a more advanced, high-quality environment.

When it comes to virtualization, we have expanded the scope of virtual verification in the Virtual Factory to include equipment control systems, addressing on-site challenges. In the intelligence domain, we have applied LG CNS' AIDD[3] to the Factova solution to enable effective coding using AI.

2025 Strategic Directions

In 2025, we plan to expand the application of LG CNS' AIDD-based Factova solution, which was implemented in the field of intelligence, to industrial sites while also broadening the scope of AIDD application. We aim to continuously improve the manufacturing environment by increasing the adoption of the Factova solution among a wide range of clients without limiting the client base and expanding the scope of next-generation MES systems to cover a broader industrial range.

Service Offerings



Integrated Operation Platform
Real-time manufacturing site management and facility control

Consulting
Consulting for an intelligent factory from factory construction to operation

Virtualization
Facility/process/factory virtualization and optimization through simulation

Intelligence
Application of intelligent solutions to production/ inspection/logistics facilities

Key Businesses

Integrated Operation Platform
- Next-generation MES[1] and SPC[2] implementation for LG Electronics
- Next-generation MES, SPC and RMS[3] implementation for LG Energy Solution
- FC-BGA MES, SPC and RMS implementation for LG Innotek
- Petrochemicals/Advanced Materials SINGLEX EMS[4] implementation for LG Chem
- Introduction of Factova TestOn SaaS
- MES implementation for Handok Pharmaceuticals factory
- MES implementation for JAHWA Electronics

Intelligence
- Ultium Cells FDC[5] implementation for LG Energy Solution
- FDC implementation for LG Innotek substrate factory

Virtualization
- Digital twin implementation for manufacturing area through virtual factory
- FMCS[6] system implementation for LG Energy Solution

Consulting
- Process operation scenario consulting for LG Energy Solution Poland Pack factory
- Dreamfab NTO (No Touch Operation) improvement consulting for LG Energy Solution

ESG Value Creation with Factova

Financial Value	• Increase productivity by improving process efficiency and minimizing defects • Reduce labor costs through process automation
Environmental Value	• Support clients' LCA (Life Cycle Assessment) with manufacturing life cycle management • Manage energy usage efficiently with visible energy data
Social Value	• Enhance quality by increasing the accuracy of product inspection • Improve the workplace environment by increasing job safety

1) MES : Manufacturing Execution System
2) SPC : Statistical Process Control
3) RMS : Recipe Management System
4) EMS : Equipment Management System
5) FDC : Fault Detection and Classification
6) FMCS (Factory Monitoring and Control System) : A system that provides a real-time overview of the factory at a glance from anywhere and at any time. Based on the factory layout, it provides equipment status/alarms, inventory status, and production performance/indicators

Smart Logistics

Total Logistics Solution Provider, LG CNS Smart Logistics Solution

LG CNS provides smart logistics solutions that go beyond responding to environmental changes to innovate warehouses based on the DX know-how LG CNS has accumulated as a leader in the IT industry.

2024 Performance

LG CNS has continuously expanded its new business portfolio to include K-beauty, food, and defense, by proactively proposing initial consulting and layout based on e-commerce, delivery, and 3PL[1] best practices and consulting services. In terms of solutions, we have laid the foundation for improving our competitiveness in securing orders by expanding the application of our robot solutions and innovating the utilization of robots. Notably, we have further expanded on-site verification and the application of optimization algorithms through robot PoC[2]. In addition, we have continued to advance logistics with robots by participating in process innovation for affiliated companies.

2025 Strategic Directions

In 2025, LG CNS plans to internalize core competencies to promote intelligent robot businesses, such as establishing an AI intelligent robot platform, developing robot applications, and strengthening simulation capabilities. We will secure our future competitiveness by expanding PoC and R&D to apply the latest automation solutions, such as humanoid robots, in the field. To overcome the limitations of the domestic distribution and logistics market, we will further expand our manufacturing process logistics automation business and focus more on the open business in North America. To this end, we will further strengthen our overseas business and maintenance capabilities, expand our pool of local partners and promote implementation led by our overseas business sites. Also, we will continue to diversify our production bases and expand our local manufacturing and processing infrastructure to maintain our cost competitiveness.

1

Providing a total service of consulting, design, construction, and operation

- Consulting : Establishment of N/W (base) strategy, operation strategy
- Warehouse design : Layout design based on optimal facility selection
- Implementation : Implementation of HW and SW for center automation, operation/maintenance, etc.

2

Line-up of advanced domestic and international solutions

- Optimized, intelligent facilities in urban area
- Differentiated, cutting-edge solutions - AutoStore, Pallet/Box Shuttle, AMR[3]/AGV[4], Picking Robot, Sorting Robot, etc.
- Robotics integrated operations platform

3

Highest level of digital transformation competency

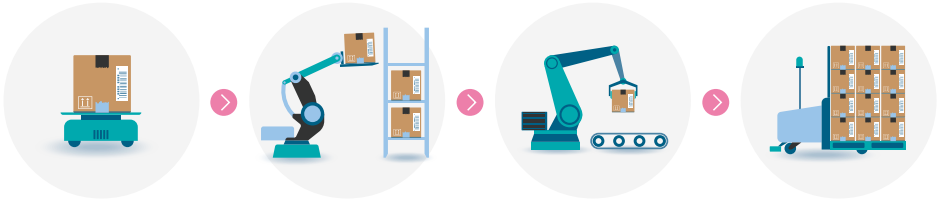
- Incorporating the latest information technologies such as AI and optimization for innovating logistics operation
- Minimizing up-front investment, increasing operational efficiency, and contributing to cost savings

1) 3PL (Third-Party Logistics) : A service that outsources logistics operations to an external service provider
2) PoC (Proof of Concept) : A procedure used to verify the feasibility of a specific idea or technology
3) AMR : Autonomous Mobile Robot
4) AGV : Automated Guided Vehicle

Key Services

❶ Full Automation Center

LG CNS designs and implements logistics centers that automate the entire process from receiving product to storage, picking/sorting, and shipping, using automated equipment that integrates the latest IT.



Receiving product	Storage	Picking/Sorting	Shipping
PLT AMR, Unmanned forklift, Robot De-palletizer	Pallet AS/RS Box AS/RS	Picking Robot Sorting Robot	PLT AMR, Unmanned Forklift, Robot Palletizer

LG CNS Smart Logistics Platform

❷ RaaS[1)]

LG CNS' "Logistics Robot Subscription Service" allows clients to subscribe and use logistics robots as needed. LG CNS' RaaS reduces the initial costs of introducing logistics services for clients. In addition, we continue to lead the intelligent logistics automation market by implementing Robotic Hyper Automation with the optimal combination of advanced digital technologies such as AI, big data, and RPA and the latest robotics equipment to redefine automation and achieve business growth, profitability, and stability together.

Robot as a Service

HW Robotic Equipment | SW System | DX Solution

RaaS-based services are available not only for the introduction and installation of robots and automation facilities, but also for other services such as the SW systems and DX solutions required for operation.

- Flexibly respond to changes in demand
- Shift to a usage-based subscription model

- **Flexible changes and ramp-ups** for changing volumes
- **Minimize risk** of center-wide robotics adoption
- **Usage-based billing** for HW and SW solutions

ESG Value Creation with Smart Logistics Solution

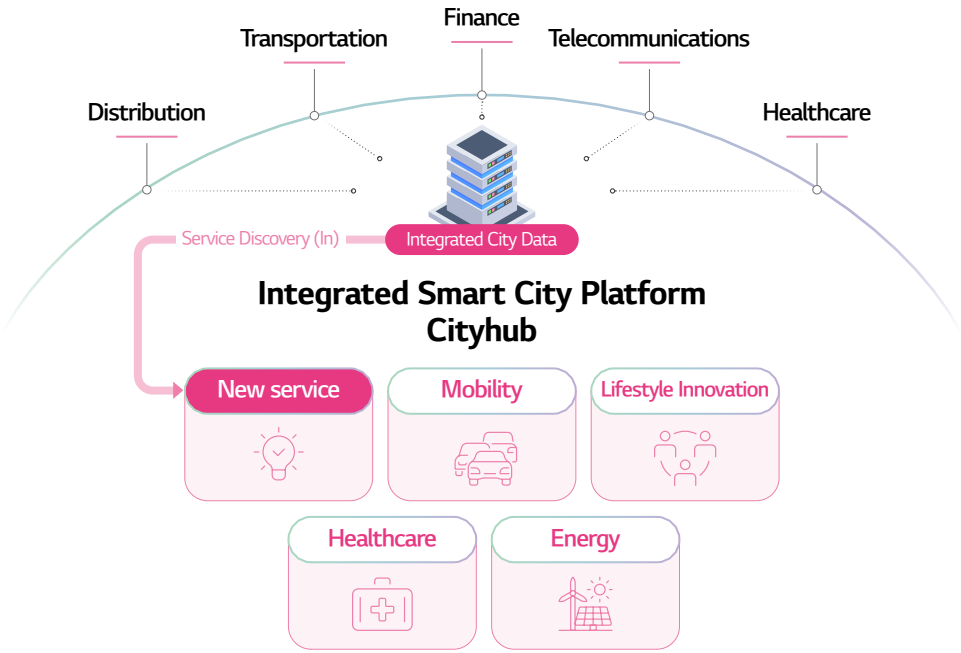
Financial Value	• Reduce labor costs and increase worker productivity with automated facilities • Minimize initial investment through robot subscription services, and optimize operating costs through on-demand usage • Maximize space efficiency by adopting solutions that provide high-capacity product storage and operational efficiency
Environmental Value	• Reduce carbon emissions with short-distance delivery via MFC[2)] and the introduction of best route algorithms • Reduce waste by eliminating unnecessary inventory
Social Value	• Provide fast delivery to meet clients' needs using MFCs • Reduce worker labor intensity and improve workplace conditions through logistics automation • Improve service quality and increase customer satisfaction by utilizing AI sorting and inspection

1) RaaS (Robot as a Service) : Logistics robot subscription service
2) MFC (Micro Fulfillment Center) : Small-scale warehouse facilities in urban areas

Cityhub

LG CNS Smart City Integration Platform

Cityhub is a smart city platform designed for a sustainable urban development. It is the digital infrastructure that serves as the "brain" of a smart city. Cityhub, which adopts a "city as a platform" paradigm, collects various city data and provides an environment for AI analysis and common functions. Smart city services such as mobility, autonomous driving, healthcare and smart homes operate within this environment, enabling the continuous innovation of services. This enables the public to enjoy a safe and convenient urban lifestyle through smart city services based on Cityhub.



Platform City with Easy Service Plug-in and Plug-out

- Flexible response to citizens' needs and technological changes
- Open platform not dependent on specific suppliers

Providing Integrated Data + Operating Living Lab[1)] and Test bed

1) Living Lab : A lab in a living environment where users (citizens, residents) directly participate in defining problems, creating solutions, conducting experiments, and making improvements

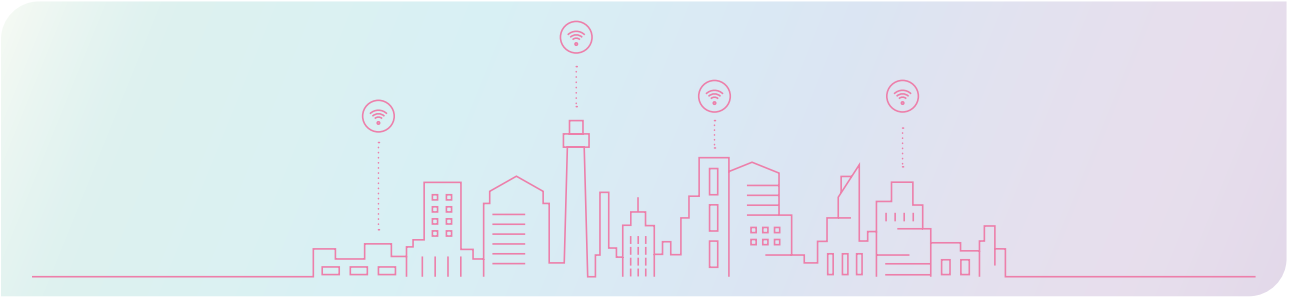
2024 Performance

- Implemented an AI data hub platform for the Sejong National Pilot Smart City
- Conducted a PoC[1] for an overseas smart city control platform (Indonesia)
- Implemented a B2C-based smart farm integrated member management platform
- Developed a Cityhub-based, integrated vertical farm[2] platform
- Developed a Cityhub IoT Edge and applied it to the smart farming business

2025 Strategic Directions

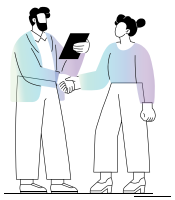
- Develop a data ecosystem that collects and links data using an AI data hub platform
- Upgrade the integrated vertical farm platform
- Add AI functions such as vision and data analysis

Service Offerings



Design & EPC

- Smart city platform design and implementation
- Data-based smart city service design and classification



Consulting

- Basic city concept and design
- Service planning and discovery
- Public-private partnership to develop business models

O&M

- Smart city service operation and maintenance
- Support for smart city ecosystem through Living Lab

Features of Cityhub

Data-driven

- Offers a full life cycle of data governance, from urban data collection to utilization
- Provides AI analysis environments and services based on collected big urban data

Flexibility

- Implements a flexible smart service system
- Provides Cityhub standard protocols, such as publish and subscribe, to enable each service to access city data flexibly

Leading-edge

- Proven records with various smart city projects in Korea and abroad
- Provides services certified by national authorities and compliant with international standards

Customized

- Reflects diverse clients' needs with a modular design
- Offers customizable features for data collection, sharing, and analysis

Scalability

- Ensures interoperability with other standard platforms and data, and facilitates connectivity with various urban devices and systems by complying with international standards

Continuous innovation

- Responds promptly to the latest technological changes
- Pursuing continuous improvement through expert organizations

1) PoC (Proof of Concept) : The process of verifying the feasibility of a new idea or technology
2) Vertical Farm : A new approach of farming where crops are grown in vertically stacked layers within a building

Cityhub Configuration and Services

Service
- Mobility
- Safety
- Living Innovation
- Healthcare
- Robot

Public/Government

Private/Business

Smart City Infrastructure

Smart Building

Service Hub

Single Service Channel
City App

Making it easy for local residents to use smart city services through the city app

One ID | DID Authorization | Payment | Reward | Notification

AI · Data Hub

Cityhub

Data Collection

ETL[1)]
Reliably collect structured and unstructured data from various sources

IoT
Collect/deliver and manage sensing data in real time for a variety of devices and IoT environments

↳ **Device Security**
Provide security feature for IoT products

City Operation

Eventhub
Real-time city events processing engine that processes and disseminates information in real time, including the integrated processing of real-time events and the application of AI inferences

Intelligence Center
Supports efficient city operation by visualizing various information to control and handle urban situations

Enterprise Portal

AI Contact Center

Big Data/AI Analysis

Data Management
Provides data standardization and quality control to support the systematic utilization of collected data

ML/DL
A managed platform for quickly and easily creating and training machine learning and deep learning models, from setting up the analysis environment to deploying the models end-to-end

Open Data

Open Data Portal
Provides datasets and Open APIs to make it easier for businesses/institutions to share and utilize city data and data analyzed from them

Data Exchange
A data distribution platform that connects data sellers and buyers

Big Data Management (Bigdata Eco System - Hadoop) | City Data | Citizen Data

1) ETL (Extract, Transform, Load) : A process of extracting data during data processing, transforming it to the required format, and loading it into another system

* International standards adopted by Cityhub : NGSI LD | oneM2M | CityGML | DCAT

Key Businesses

Sejong 5-1 National Pilot Smart City

Busan Eco-Delta National Pilot Smart City

Intelligent Smart Farm Pilot Complex in Naju, Jeonnam

ESG Value Creation with Cityhub

Financial Value	• Reduce costs by optimizing city operations using AI • Prevent duplication of investment in city operations by securing scalability through ensuring compliance with international standards
Environmental Value	• Reduce unnecessary energy use with AI/big data-enabled facility management • Reduce air pollution and carbon emissions through intelligent transportation systems
Social Value	• Improve the quality of public services and the lives of residents by providing customized city services • Increase public participation in policy-making and strengthen digital sovereignty by opening up data

MOP

AI-powered Advertising Optimization Solution

MOP (Marketing Optimization Platform), developed by LG CNS, is an intelligent optimization platform for advertising operations based on AI and mathematical optimization algorithms[1]. MOP maximizes the digital marketing performance of corporate clients by predicting future performance, setting advertising budgets, and automatically bidding on advertisements using models that predict future performance based on past performance data and mathematical optimization algorithms.

2024 Performance

Through our active solution sales and diverse marketing activities, LG CNS secured a 2.5% share of Korea's digital advertising market in 2024. We are among the top seven domestic advertising agencies in terms of digital advertising sales, and continue to grow steadily.

LG CNS has been focused on improving our clients' understanding and utilization of the MOP solution by providing guidelines for each function, as well as regular training and success stories.

2025 Strategic Directions

In 2025, we plan to capture a dominant market share of the domestic ad tech market and focus on generating revenue. To achieve this, we will collaborate with major advertising media companies to accelerate our growth, and launch MOP Pro to target major advertisers and advertising agencies.

1) Mathematical optimization algorithm : A mathematical technique used to find the optimal value through the mathematical modeling of complex decision-making problems with many constraints. This technology has proven effective in improving cost efficiency and productivity in various industries, including aviation, aerospace, and logistics

LG CNS employees introducing the digital marketing optimization platform "MOP"

Key Features of Service

We rely on mathematical optimization models, used in diverse industries to increase cost efficiency and productivity, to train customized AI models based on data from individual advertising accounts. This improves prediction accuracy and maximizes advertising efficiency.

AI Ensemble & XGB Boosting	• Generate hundreds of machine learning models using advertising data, and accurately predicts advertising performance with AI Ensemble • Build optimal prediction models by analyzing the exposure patterns of advertisements by day and time with XGB Boosting
PELT Algorithm	• Provide powerful computational efficiency and detection capability, enabling fast and accurate determination of bidding cycles with the PELT (Pruned Exact Linear Time) algorithm
Mathematical Optimization Model	• Achieve the optimal results by calculating at least 350 possibilities for each keyword and ad item every day in order to meet various advertising goals • Increase cost efficiency and productivity for various industries, including aviation, aerospace, and logistics

About the Service

MOP is transforming the marketing paradigm by providing a comprehensive suite of marketing tools including budget control, real-time reporting, monitoring, and intelligent bid optimization function aligned with marketers' advertising goals.

Optimization Algorithm

Shopping Ad Bid Optimization
Fully automates the budgeting and bidding processes for Naver Shopping search ads, maximizing purchase conversions and sales

Search Ad Bid Optimization
Automatically optimizes bids for each keyword in real time to achieve advertising goals

Budget Optimization
Recommends the optimal budget for each campaign across all media in order to achieve advertising goals

Insight

Budget Sensitivity Analysis
Analyzes how advertising performance responds to budget changes based on forecast data

Competition Analysis
Analyzes the intensity of bidding competition in the market on a daily basis based on advertising performance data

Attribution Analysis
Measures and analyzes the level of contribution to final conversions across multiple campaigns and channels on a daily basis

Tools

Shopping Ad Anomaly Detection
Monitors when shopping search ads are not delivered due to out-of-stock items, and sends notifications for such anomalies

Shopping Ad Negative Keywords
Provides the latest two weeks' performance and efficiency analysis data for each keyword to optimize each shopping search ad creative

URL/UTM Search Ad Anomaly Detection
Monitors errors in landing page and parameters linked to conversion tools, and sends notifications for abnormal situations

API Center

API – IN
Connects custom conversion data not tracked by media to MOP to enhance algorithm performance

API – OUT
Exports data stored in MOP and analysis results generated by MOP to the client's system

Major Clients

As of March 2025, MOP is being actively used by approximately 2,000 corporate clients and 100 advertising agencies.

Corporate Client

Trip.com, 신한카드 (Shinhan Card), 다방 (Dabang), 오늘의집 (Bucketplace), Carrot, Hecto Healthcare, 3M, coway, 시원스쿨 LAB (Siwonschool LAB), LG전자 (LG Electronics), LG생활건강 (LG H&H), LG U+

Advertising Agency

ECHO MARKETING, mother brain, BIAT, MADUP, PLAY.D, wylie 와일리, elink media, 퍼포먼스 바이 TBWA (Performance by TBWA), MIRAEIAC, namu communications, LinkPrice, PROGRESS MEDIA (주)프로그레스미디어

ESG Value Creation with MOP

Financial Value	• Increase sales with intelligent, technology-driven advertising optimization • Reduce labor costs through 24/7 automated operation
Environmental Value	• Eliminate unnecessary resource waste by reducing traditional offline marketing activities
Social Value	• Invest resources saved from advertising operations through MOP into core business operations to improve customer satisfaction

SecuXper

LG CNS Security Solution for Secure AX Environment

SecuXper is a customized integrated security service that provides a secure digital environment spanning from security consulting to system implementation, operation, and monitoring, enhancing the competitiveness of companies using AI and the latest technologies.

MSSP[1] that provides end-to-end protection for client assets and businesses from the latest security threats

As an MSSP providing security services to various industries, including finance, the public sector, telecommunications and manufacturing, LG CNS offers customized end-to-end security consulting. Whether it is IT security for corporate infrastructure, OT security for manufacturing sites, IoT security for smart cities, or convergence security that combines all of these, we deliver professional consulting, security system implementation, operation, and monitoring services to safeguard our clients' business environments.
SecuXper provides optimized security services to clients 24/7 thanks to its ability to quickly detect and respond to the latest security threats, which are increasing with the acceleration of AX (AI Transformation). SecuXper also protects physical and digital assets with security technologies that have been tailored to each industry.

2024 Performance

Since announcing the launch of our MSSP business in 2021, LG CNS has expanded the cloud security business by leveraging our unique capabilities, achieving a pace of business growth that far exceeds the growth rate of the domestic security market and solidifying our position as an MSSP provider. In the OT security sector, we are adding to our track record and market reach by partnering with the leading domestic and international companies and security firms.

We are also introducing new technologies, such as generative AI, to deliver services that quickly enhance customer value, and are securing guidelines and continuing development in other emerging technology areas, such as Zero Trust[2], to become the leading security AX partner for Korean enterprises.

2025 Strategic Directions

In 2025, LG CNS aims to provide differentiated security services tailored to our clients' diverse environments and requirements by strengthening our global security solution capabilities through partnerships that cover system implementation, operation, and monitoring. In addition, we will establish a PURPLE LAB within the SecuXper Hub (Integrated Security Center) to enhance our security penetration and response capabilities. We will then apply these capabilities to our monitoring services to lay the foundation for advanced security monitoring. Our goal is to establish SecuXper as the leading security solutions brand, become the premier MSSP in Korea, and ultimately, become a globally recognized MSSP.

Service Offerings

Security Consulting
- Information security master plan consulting
- Personal information protection consulting
- Information security certification consulting
- Cloud security consulting
- Factory security consulting
- Physical security consulting
- Vulnerability detection and mock hacking

Security Solution
- Cloud security management solution (SecuXper CAT)
- Information security portal (SecuXper SRP)
- IoT security solution (SecuXper IoT)
- Access control (SecuXper IDP)
- Video surveillance (SecuXper Intelli-VMS)
- Physical security integrated monitoring (SecuXper PSIM)
- AI-based anomaly detection solution (SecuXper AI)
- AI video analytics convergence solution (SecuXper AI Safety)

SecuXper

Security Implementation
- Establishment of public/financial/corporate security system
- Establishment of smart factory security system
- Establishment of smart city security system
- Establishment of physical security system

Managed Security Service
- Establishment of multi-cloud and on-premises security operation plan
- Build and manage services reflecting client needs
- Stable internalization support
- SecuXper center integration, security control and operation service
- Security management shared service

1) MSSP (Managed Security Service Provider) : A company that comprehensively performs security system operation and management
2) Zero Trust : A security framework that operates on the principle of "never trust, always verify"

SecuXper Core Competencies

LG CNS SecuXper with best security experts and advanced AI technology, ensuring clients' safety

- RED Team consisting of 17 elite white hat hackers
- BLUE Team specializes in studying attackers' patterns to improve defense systems
- PURPLE LAB, which collaborates closely with the RED and BLUE teams to analyze and research security threats
- A solution that enables the safe use of generative AI, providing innovative security services using AX technology, such as an AI security solution that detects signs of information leakage in advance
- Synergy through collaboration with global partners such as Microsoft, Trend Micro, Palo Alto Networks, etc.
- Comprehensive converged security services that integrate information security and physical security

About the Service

SecuXper Security Consulting

Three-dimensional, Customized Security Consulting and Diagnostic Services

Optimal security consulting tailored to clients

With over 20 years of security consulting experience and know-how, LG CNS identifies the root causes of security vulnerabilities and presents clients with a customized, integrated information security model. Through this, we help our clients build a global-level information security system.

Vulnerability assessment and penetration test

In 2025, LG CNS reorganized its existing Integrated Security Center into SecuXper Hub and expanded PURPLE LAB, a virtual organization that operates exclusively in cyberspace.
PURPLE LAB consists of a RED Team and a BLUE Team that conduct simulated hacking attacks and defense training. The RED Team makes wide-ranging attempts to breach systems, while the BLUE Team defends against these attacks, diversifying penetration scenarios and developing countermeasures. The BLUE Team also performs threat hunting activities to proactively detect external security risks, such as malware infiltration and hacking attempts.
Since establishing the RED Team in 2021, LG CNS has conducted more than 600 mock hacking and penetration tests. We have also developed countermeasures against potential penetration scenarios in several domains, including cloud systems, software as a service (SaaS), and manufacturing facility production networks. Leveraging these capabilities, LG CNS provides security consulting and diagnostic services to domestic enterprise clients across diverse industries, enabling them to swiftly identify and address security threats at various touchpoints, including PCs, mobile devices, servers, and networks.

SecuXper Security Management

Close Support from Security Experts and 24/7 Managed Security Service to Ensure Business Stability

Managed security service

The managed security service provides guidance in the latest security trends and ensures the stability of client businesses by detecting and responding to security threats. It is a 24/7, year-round service on-premises[1] and offered in the cloud environment.

Security management shared service (Shared)

This is a service in which LG CNS security experts perform essential security management tasks for companies that lack security-specialized human resources. LG CNS' top security experts provide close support in areas such as personal information protection, cloud security, vulnerability assessment, and penetration testing. The service covers a wide range of security management tasks from a PDCA (Plan-Do-Check-Act) point of view.

SecuXper Security System Implementation

Comprehensive Security Services Backed by Proven Design Experience

Smart factory (OT) security system

LG CNS, which has pioneered OT (Operational Technology) process security within the LG Group, has a Solution Suite for OT security. The Solution Suite consists of 16 modules and 26 solutions categorized into the areas of hacking and malware response, core technology protection, and integrated security management, and provides comprehensive security solutions tailored to the OT environment and needs of companies.

Security systems tailored to industry and business size

LG CNS provides a security system that is rooted in proven design experience and development procedures that can be applied to various industries and business sizes. This enables clients to use safe and reliable security systems that also consider operational efficiency.

Cloud security services

LG CNS takes full advantage of the native security services of cloud service providers such as AWS, Azure, and GCP to protect data and systems in the cloud environment while enabling the flexible and efficient use of cloud services.

1) On-Premises : Building a physical server system in a company's or institution's computer room and using it according to the organization's needs

Key Businesses

- Establishment of Morocco Cyber Safety Center
- HYUNDAI GLOVIS — Deployment of AI-powered Facial Recognition Access Control at Hyundai Globis
- LG디스플레이 — SecuXper AI Safety Business of LG Display
- Establishment of CCTV Control Center for Eunpyeong-gu Office in Seoul
- 연세대학교 의료원 — Implementation of Access Control Solution at Yonsei Medical Center
- LG생활건강 — Penetration Testing at LG H&H Factory/Facility
- 신한은행 — Shinhan Bank Global Managed Security Service Project
- Incheon Airport — Penetration Testing at Incheon International Airport Corporation
- LG 주요계열사 — Establishment and Operation of LG Group Security Operation Center
- 금융보안원 — Implementation of Financial Managed Security Service System of Financial Security Agency
- STARBUCKS — Cloud Migration Information Security Consulting for Starbucks
- LG 주요계열사 — Establishment of Domestic/Overseas Factory Security System of LG Group
- 한화솔루션 — IT, OT Security Consulting for Hanwha Solutions

Global Partnership & Alliance

Microsoft | aws | Google Cloud | TREND MICRO | paloalto

ESG Value Creation with SecuXper

Financial Value

- Prevent financial losses from security incidents, including confidential information leaks, system paralysis, and service disruptions
- Focus on core businesses and improve clients' work efficiency by meeting their security needs

Environmental Value

- Reduce unnecessary energy use by eliminating on-premises security equipment and facilities
- Reduce the risk of environmental destruction from large fires by preventing safety incidents in industrial facilities and data centers

Social Value

- Prevent social issues like privacy breaches by protecting clients' data
- Enhance corporate system security through services such as security monitoring, simulation hacking, and vulnerability diagnosis
- Encourage corporate social responsibility and maintain client and public trust by maintaining corporate stability

Enterprise Solutions

LG CNS Enterprise Solutions Supporting Clients' DX

LG CNS empowers our clients' DX (digital transformation) with self-developed solutions, including the testing solution PerfecTwin, the framework DevOn, and the middleware solution LENA. We are also leading the way in digitally transforming traditional business ecosystems using cutting-edge information technologies.

2024 Performance

LG CNS has a portfolio of enterprise solutions centered on testing solutions, infrastructure, and development frameworks, based on our extensive know-how and technical expertise. We serve leading companies in Korea and abroad based on this portfolio.

Since the full-scale launch of our solution business in the domestic market, our enterprise solution sales have grown at an average annual rate of approximately 30% (based on direct and indirect revenue). By diversifying customer use cases through partner collaboration and running a technology partner development program, we have enhanced partner capabilities and solidified our position as an enterprise solution provider.

In 2024, we concentrated on developing and upgrading our existing offerings into global solutions, and as a result, we established a global business execution system. Notably, in June 2024, we unveiled "PerfecTwin ERP Edition" to global clients at the SAP Sapphire 2024 event held in the United States, marking our official entry into the U.S. market. Based on our leading position in the domestic solution market, we aimed to achieve early success through global expansion and lay the foundation for expanding our enterprise solution portfolio.

2025 Strategic Directions

In 2025, we aim to continue growing our enterprise solutions business and pursue full-scale expansion into the global market. We will secure domestic and global client references, strengthen our capabilities, and lay the foundation for expanding our enterprise solutions portfolio.

In 2025, by strengthening our new offerings and solution portfolios, we aim to create global business opportunities and enhance our technological competitiveness. We plan to design new solution offerings based on client and partner requirements and feedback to expand our solutions portfolio. Key initiatives include the launch of LENA Open Edition, expanding from the commercial middleware market into the open-source space, and advancing the PerfecTwin ERP Edition offering based on our experience with domestic SAP implementations.

We will strengthen the competitiveness of our solutions through technological innovation to provide sustainable value to our clients and secure growth momentum both domestically and internationally.

About the Service

PerfecTwin

PerfecTwin is LG CNS' unique, automated large-scale transaction verification solution designed to support the flawless go-live and operation of IT systems. It can be effectively applied to a variety of IT projects, including next-generation system implementation, ERP conversion, cloud migration, infrastructure upgrades, and SM (System Management) operations.

PerfecTwin is a solution developed to answer the question : "How can we effectively verify, before go-live, that the next-generation (to-be) system under development will operate reliably and identically to the current (as-is) system?"

Many projects struggle with deciding whether the system can be go-live even in the final stages, due to a lack of confidence in system quality.

PerfecTwin reproduces real-world user transactions and external interfaces in the to-be system, allowing teams to identify potential defects before go-live and raise system reliability and quality to the level of the current system.

Additionally, PerfecTwin supports transaction-based business scenario creation and automated regression testing for existing systems, advancing the verification process and enhancing the quality of IT operations.

PerfecTwin Solutions

PerfecTwin Standard Edition | This is a testing solution that verifies functional accuracy and response time by replaying actual transaction data in the next-generation system. It identifies potential defects before they occur during go-live and operations, enhancing system reliability and quality to match that of the current system.

PerfecTwin ERP Edition | ERP Edition is a test automation solution specialized for SAP S/4HANA conversions. By applying a transaction replay method, it enables faster and more scalable testing than UI Replay method[1]. It also reduces costs through automation, expands test coverage using large-scale data, and enhances system quality through iterative testing.

1) UI Replay method : A test automation technique that records user actions at the screen level and replays them exactly as recorded

Middleware Platform

LENA

Developed by LG CNS, LENA is a cloud-oriented enterprise WEB/WAS[1] solution based on global standards. LENA provides integrated offerings across the entire commercial and open-source middleware market in response to the expanding open-source ecosystem.

LENA
LENA is a cloud-oriented enterprise WEB/WAS solution based on global standards. Its advanced operational management features improve ease of operations, while its high-availability architecture ensures reliable service delivery.

LENA Open Edition
LENA Open Edition is an open-source middleware support offering. It offers technical support services ranging from open-source adoption consulting to implementation and operations. To ensure a seamless system transition, it supports cloud and container[2] environment optimization and enhances operational efficiency and quality through integrated multi-server management.

TunA

TunA is an integrated monitoring solution that provides advanced capabilities to effectively manage enterprise IT systems.

TunA provides key capabilities that ensure visibility into various IT components—such as end users, applications, cloud, and infrastructure—and enable stable system operation. It supports a variety of operating environments, from legacy to cloud/container-based, and excels in improving IT service quality and managing application performance.

J-Jobs

J-Jobs is a workload automation solution that orchestrates and automates business processes in real time.

J-Jobs supports various templates, events, and platforms, and offers web-based features that make it easy to define workflows. Its convenient customization features enable efficient enterprise-wide batch operations, making it a cloud-oriented solution.

1) WAS (Web Application Server) : A middleware server that executes business logic between the web server and the database server
2) Container : A lightweight virtualization technology that packages applications and their application environments so the application can run consistently across different environments
3) Batch : A method of executing tasks in bulk at scheduled intervals
4) Center Cut : A method of extracting and transferring only the necessary data from the primary system to external systems
5) Post-Processing : Supplementary tasks executed after real-time processing is completed
6) OSS (Open Source Software) : Software with publicly available source code that can be freely used, modified, and distributed
7) AM/MSA : Application Monitoring/Microservices Architecture

Framework

DevOn

DevOn Framework is a proprietary Java framework developed by LG CNS. Leveraging extensive project experience, it provides specialized features for business operations, along with the stability and efficiency required for large-scale projects.

DevOn Enterprise
DevOn Enterprise is a flexible, high-performance framework optimized for the financial sector. It provides finance-specific modules, including online processing, batch[3] jobs, center-cut[4] extraction, and post-processing[5], all proven through extensive real-world use, and delivers the stability and reliability required by financial systems. Its flexible architecture enables custom component configurations tailored to client needs.

DevOn Boot
DevOn Boot is a lightweight, OSS[6]-based framework designed for AM/MSA[7] environments. It is the first commercial container-oriented framework released in Korea, with a distinguished track record in the field. We continue to expand features that support application modernization, including distributed caching, embedded WAS, and SAGA modules for distributed transaction processing.

DevOn IDE
An execution-centric platform, DevOn IDE is an integrated development platform exclusive to LG CNS that seamlessly connects, visualizes, and automates the entire development process from analysis to unit testing.

ESG Value Creation with Enterprise Solutions

Financial Value
- Enhance productivity and reduce labor costs through business process automation
- Enhance operational efficiency and reduce costs through resource optimization and usage-based billing

Environmental Value
- Enhance infrastructure efficiency and reduce power consumption by optimizing cloud operations
- Reduce server footprint and boost energy efficiency through server utilization optimization and MSA adoption

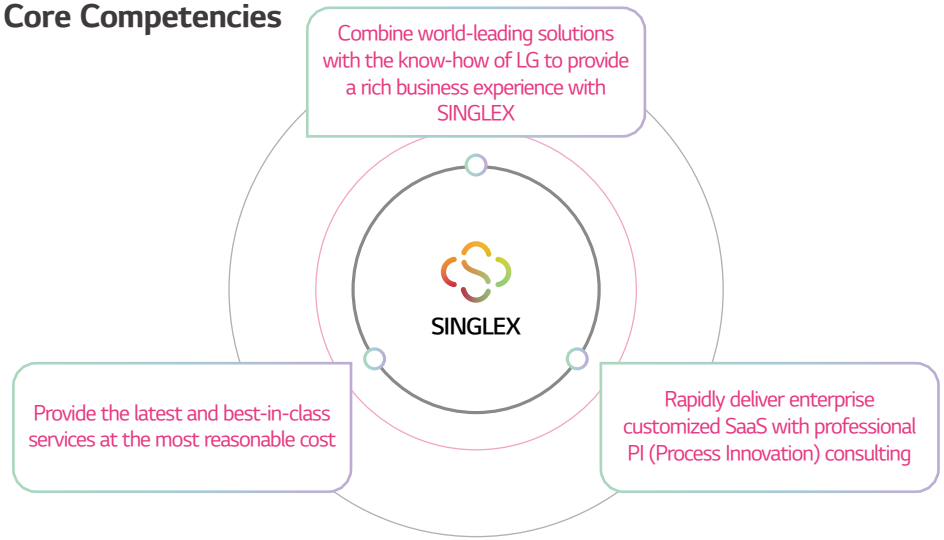
Social Value
- High-volume transaction handling and failure diagnostics ensure system reliability and enhance the end-user experience with web applications
- Improved system reliability prevents failures, service disruptions, data loss, and rework

SINGLEX

LG CNS Enterprise SaaS Integrated Platform

SINGLEX, a cloud-based SaaS (Software as a Service)[1] integrated platform, has a name that is a portmanteau of "SINGLE" and "COMPLEX." As LG CNS' subscription-based IT service, SINGLEX integrates diverse and complex businesses into a single platform. It incorporates LG CNS' expertise and extensive business experience with the best global solutions to provide services across all business areas, including sales, purchasing, manufacturing, and human resources, making work smarter and more efficient.

Core Competencies



2024 Performance

In 2024, we provided the LG Group with global, best-in-class SaaS solutions for sales, purchasing, manufacturing, quality, and HR. We also continued to secure domestic enterprise clients. We completed planned upgrades to address clients' pain points and increase their satisfaction.

2025 Strategic Directions

In 2025, we plan to upgrade our SaaS system by focusing on discovering AI use cases to increase the competitiveness of our clients within the LG Group. We also aim to solidify our position as a leading SaaS provider by offering value to small- and medium-sized businesses in all industries across Korea, beyond the large enterprise market.

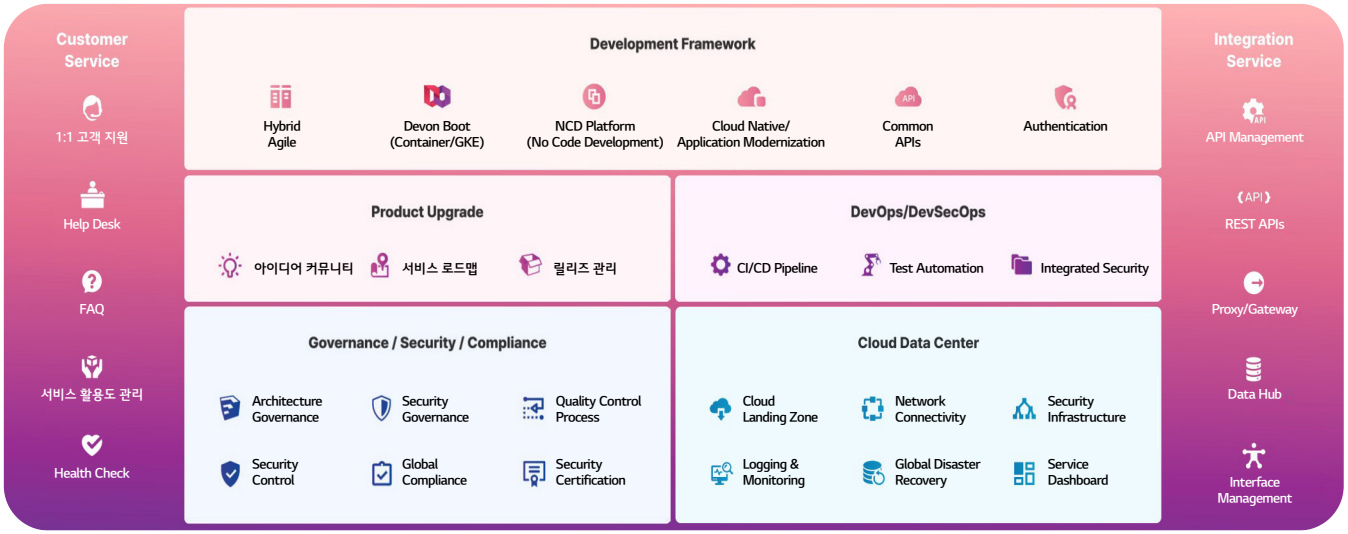
ESG Value Creation with SINGLEX

Financial Value	• Reduce upfront investment costs with no hardware or infrastructure required • Offer clients continuous upgrades at a low operating cost through a pay-as-you-go subscription service
Environmental Value	• Reduce resource waste by using public cloud, eliminating the need to build and dismantle individual infrastructures • Save energy through large-scale system integration and optimization based on a single platform
Social Value	• Improve customer satisfaction by providing global best-in-class services tailored to clients' businesses • Secure IT operation stability by providing services optimized for clients' IT environments

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

About the Service

We provide customized SaaS services that are optimized for the corporate value chain, by combining LG's best practices with the top global solutions in all business areas.



We provide a reliable SaaS experience with the SINGLEX platform, which efficiently and reliably integrates and connects various SaaS, solutions, and legacy environments.

FinXper

LG CNS' Digital Solutions for Financial Services Combined with Industry Expertise and the Latest AX Technology

FinXper is LG CNS' digital solution for financial services, designed to leverage our expertise in financial services and IT in support of the rapid digital transformation of financial service companies, enhancing our clients' competitiveness. The name is a portmanteau of the words "Finance" and "Expert."

2024 Performance

LG CNS is accelerating business innovation in the financial services industry by successfully implementing next-generation systems for major financial companies through the modernization of core systems. We have established an IT system that swiftly responds to changes in the financial services industry by implementing large-scale next-generation back-end and front-end systems leveraging cloud-based MSA technology and agile development methodologies, as well as business systems that utilize AI technology. In addition, we provide stable and efficient operation and maintenance services through long-term, integrated maintenance engagements for SC Bank, Hyundai Card ITO project, the Korea Financial Telecommunications and Clearings Institute, and Tongyang Life. Furthermore, we support building customized AI platforms and services for financial institutions. This enables the swift and reliable implementation and operation of AI analysis environments, increasing the value of AI-driven financial services.

2025 Strategic Directions

As an AX partner with unparalleled financial expertise, we are leading the digital transformation of the rapidly evolving financial services industry and supporting our clients' business success. We will establish a GenAI data platform tailored to financial institutions and provide AX services centered on the user experience to enhance new business value and strengthen the user experience for clients. In addition, we are building trust with global banks and creating new opportunities for business collaborations by setting up IT infrastructure for the overseas branches of domestic banks, and banking systems for overseas local banks.

We aim to innovate across all areas of financial services industry through AI, and combine AI technology with the industry's leading cloud and data technologies to assist financial institutions succeed in their AX business.

Major Clients

Bank

KB국민은행 (KB Kookmin Bank)
신한은행 (Shinhan Bank)
하나은행 (Hana Bank)
NH농협은행 (Nonghyup Bank)
우리은행 (Woori Bank)
한국은행 (Bank of Korea)
SC제일은행 (SC Bank)
MG새마을금고 (MG Community Credit Cooperatives)
수협은행 (National Federation of Fisheries Cooperatives)
IBK기업은행 (Industrial Bank of Korea)
저축은행중앙회 (Korea Federation of Savings Banks)
kakaobank
iM뱅크 (iM Bank)
BNK 부산은행 (Busan Bank)

Card/Capital

신한카드 (Shinhan Card)
KB국민카드 (KB Kookmin Card)
우리카드 (Woori Card)
하나카드 (Hana Card)
비씨카드 (BC Card)
롯데카드 (Lotte Card)
Hyundai Card
NH농협캐피탈 (Nonghyup Capital)
KB캐피탈 (KB Capital)
Hyundai Capital
NH농협카드 (Nonghyup Card)
JB우리캐피탈 (JB Woori Capital)

Insurance

KB손해보험 (KB Insurance)
MIRAE ASSET 미래에셋생명 (Mirae Asset Life Insurance)
라이나손보 (Lina Insurance)
하나손해보험 (Hana Insurance)
KB라이프 (KB Life)
KYOBO 교보생명 (Kyobo Life Insurance)
한화생명 (Hanwha Life Insurance)
한화손해보험 (Hanwha General Insurance)
SGI서울보증 (Seoul Guarantee Insurance)
NH농협손해보험 (NH Insurance)
동양생명 (Dongyang Life Insurance)
AIA생명 (AIA Life Insurance)

Securities

신한투자증권 (Shinhan Investment Securities)
KB증권 (KB Securities)
MIRAE ASSET 미래에셋증권 (Mirae Asset Securities)
하나증권 (Hana Securities)
koscom
KSD 한국예탁결제원 (Korea Securities Depository)
NH투자증권 (NH Investment & Securities)
meritz 메리츠증권 (meritz SECURITIES)

Public Finance

금융감독원 (Financial Supervisory Service)
금융보안원 (Financial Security Institute)

ESG Value Creation with FinXper

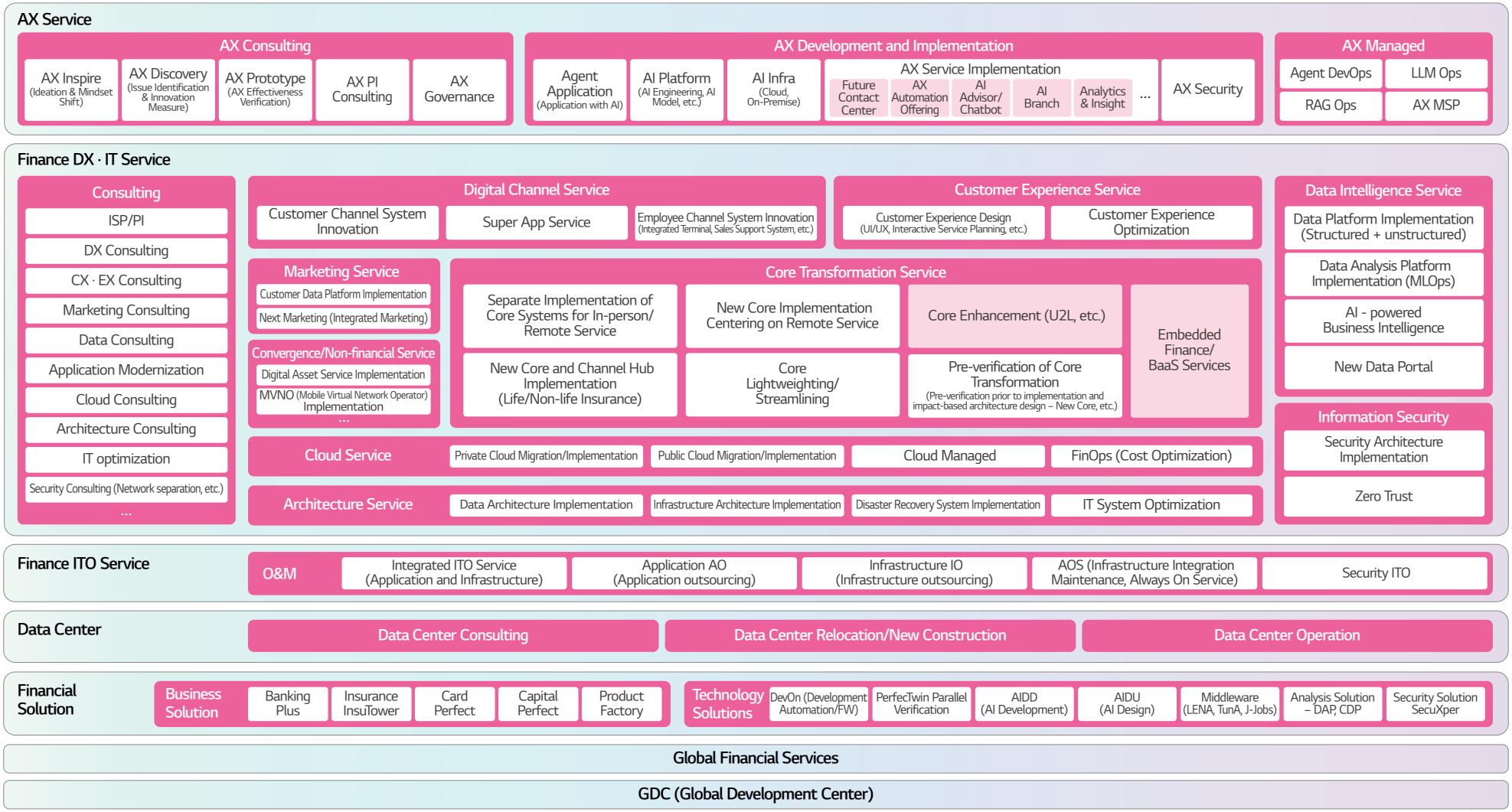
Financial Value
- Increase productivity by automating business processes of financial services
- Improve employee productivity and efficiency by building a system based on generative AI technology

Environmental Value
- Reduce energy use and carbon emissions of offline branches by expanding digital channels for financial institutions
- Reduce energy consumption and optimize the carbon emissions generated by corporate IT systems by migrating to the cloud and optimizing operations

Social Value
- Enhance accessibility and convenience for users unfamiliar with digital devices, such as the elderly, by building user-friendly digital financial channels
- Prevent financial fraud and crime by building financial systems with AI technology
- Establish a secure financial system that can withstand external hacking attempts and counterfeiting threats by building financial systems (central bank digital currency, tokenized securities system, etc.) using blockchain tech

FinXper Service Offerings

FinXper provides a wide range of services, from services designed for the financial service industry to platforms and solutions specializing in new technologies and architectures such as AI and cloud computing. We leverage our leadership in these technologies to effectively support the DX of financial institutions. Our team of experts has years of experience and technical capabilities, and is committed to continuous quality improvement, providing integrated solutions that combine our proprietary solutions with global solutions.

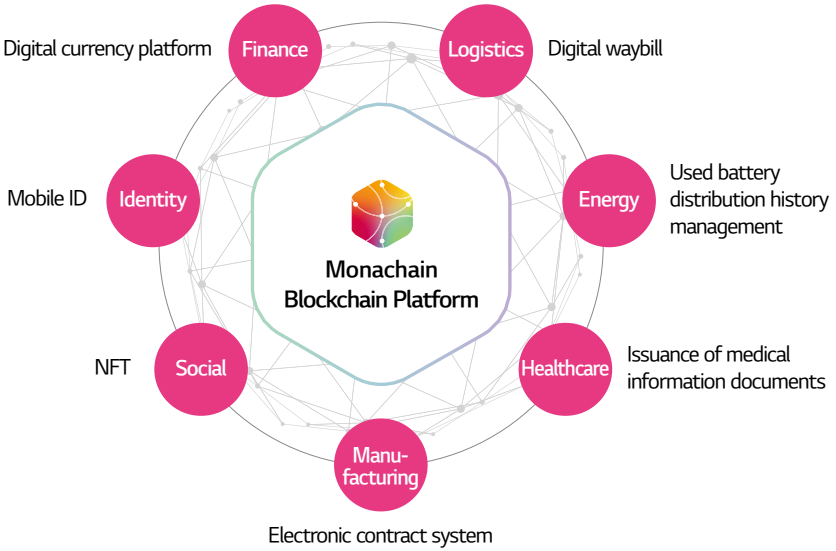


Monachain

LG CNS Blockchain Solution Optimized for Enterprises

LG CNS is creating customer value with practical services such as digital identity authentication and digital asset trading through blockchain. By doing this, we are leading a safer and more reliable digital ecosystem.

About the Service



Blockchain Consulting Methodology | Providing Customized Solutions through Blockchain Consulting

LG CNS has developed a blockchain consulting methodology to innovate clients' work and apply new business models. The methodology provides the optimal solutions based on the characteristics of clients' business and IT environment, from the establishment of blockchain technology strategy to implementation, operation management, and platform-type services in various industries such as finance, public sector, communication, and manufacturing.

- Professional consulting
- Discovering use case

→

- Supplying Monachain
- Establishing infrastructure network environment

→

- Developing and operating systems based on blockchain technology

Tidit | LG CNS' DID-based Subscription Service for Identity Verification

Tidit provides optimal solutions depending on the business and IT environment. It is a mobile subscription-based identity verification service developed by LG CNS that applies blockchain DID[1] technology for various industries such as finance, public, telecommunications, and manufacturing. Tidit allows users to own their identity information directly on their smartphones, and when needed, they can verify their identity by providing only the information required. With the Tidit mobile employee ID, users can enter the office building, pay at in-house merchants such as cafeterias and cafes, and use in-house services such as multifunction printers and fitness centers. We are expanding the scope of use to include verification services for online work systems.

First Identity Verification Service
Mobile Employee ID Card Service

- Implementing the LG CNS standard secure access protocol
- Linking with terminals at convenient facilities
- Expanding the service inside/outside the company with DID certificate validation

Mobile employee ID service	Access control system
Access	Company access terminal
Convenient facilities	Third-party terminals

1) DID : Decentralized Identity

Major Clients

Token	PLATEER (Plateer)	bithumb	우리은행 (Woori Bank)	신한은행 (Shinhan Bank)
	NH농협은행 (Nonghyup Bank)	KB금융그룹 (KB Financial Group)	한국은행 BANK OF KOREA (Bank of Korea)	KOMSCO 한국조폐공사 (Korea Minting and Security Printing Corporation)
Decentralized ID	우리은행 (Woori Bank)	행정안전부 (Ministry of the Interior and Safety)	세종특별자치시 (Sejong City)	
Track & Traceability	Jeju (Jeju Island)	식품의약품안전처 (Ministry of Food and Drug Safety)	KB금융그룹 (KB Financial Group)	
	세종특별자치시 (Sejong City)	국토교통부 (Ministry of Land, Infrastructure, and Transport)	LG U+	

2024 Performance

In 2024, LG CNS produced remarkable achievements in digital finance and blockchain technology, blurring the lines between finance and technology.

In the area of CBDC[1], we were awarded a project by the Bank of Korea and successfully built a CBDC network platform based on our self-developed enterprise blockchain, the Monachain Platform. Through this project, we developed next-generation infrastructure for central bank digital currencies, laying the groundwork for innovations in the financial system.

In the STO[2] area, we built an STO system for tokenized securities guidelines and new businesses in collaboration with Mirae Asset Securities. Using the Monachain Platform, we developed a comprehensive system for entering the tokenized securities market, effectively supporting Mirae Asset Securities' expansion into the digital asset business.

Implementing the STO system has become an important milestone in opening new horizons for the blockchain-based digital securities market in the domestic financial sector. LG CNS provided an integrated solution that can manage the entire lifecycle of tokenized securities, including asset tokenization, smart contract[3] -based rights management, and real-time payment systems, by leveraging the core technologies of the Monachain Platform, which features security and scalability. The system was designed with compliance and transparency as top priorities. It meets the guidelines of the Financial Services Commission and provides a safe and reliable digital asset trading environment for institutional and individual investors. With this new infrastructure in place, Mirae Asset Securities is now positioned to offer innovative financial services that transcend the boundaries between traditional and digital finance, by issuing, distributing, and managing tokenized securities.

In the ESG sector, we have developed a carbon emissions trading system based on distributed ledgers and smart contracts, confirming that the system can efficiently manage rights such as emission allowances, Korean Credit Units, and payment registries. In addition, we have built a system using the RTGS (Real Time Gross Settlement) model, a new payment settlement model, operated a pilot market with several securities firms and commercial banks, and confirmed that the system can enhance the reliability and transparency of financial transactions.

1) CBDC (Central Bank Digital Currency) : A digital currency issued by a country's central bank, in contrast to private cryptocurrencies such as Bitcoin
2) STO (Security Token Offering) : Issuance of tokenized securities
3) Smart Contract : A blockchain-based automatically executed contract, which is a digital protocol that automatically executes without an intermediary when defined conditions are met

2025 Strategic Directions

LG CNS is conducting real-world transaction pilot tests using tokenized deposits and vouchers with seven commercial banks, based on the CBDC system and digital voucher management platform that LG CNS developed jointly with the Bank of Korea in 2025. In addition, we are eager to participate in the Agora project, led by the Bank for International Settlements (BIS), to gain experience in innovative financial technology and global collaboration. This will contribute to the development of future financial infrastructure.

We also plan to actively pursue technological development and business expansion in the STO field to expand the scope of our financial innovation. We are leading the DID (Decentralized Identity) market through the new offering of our subscription-based identity verification service, Tidit. Our exploration of business opportunities that will promote sustainable growth and social value creation by applying blockchain technology to the ESG field is an ongoing effort.

In 2025, we will continue to innovate based on digital finance and blockchain technology, and are committed to building a more advanced financial infrastructure and expanding our global market.

ESG Value Creation with Monachain

Financial Value	• Facilitate fast and secure transactions with digital currency platforms • Reduce bank fees with CBDC issuance • Reduce unnecessary costs with blockchain services specialized for business environments, such as NFTs
Environmental Value	• Reduce unnecessary paper usage with electronic signatures/contracts • Reduce plastic use with blockchain-based mobile employee cards • Reduce carbon emissions by building a decentralized energy system and implementing smart contracts through blockchain technology
Social Value	• Enhance transparency of transactions and promote fair transaction based on crypto technology • Enhance transparency of carbon assets and increase efficiency of trading operations by utilizing distributed ledgers

SUSTAINABLE SUPPORT SOLUTIONS

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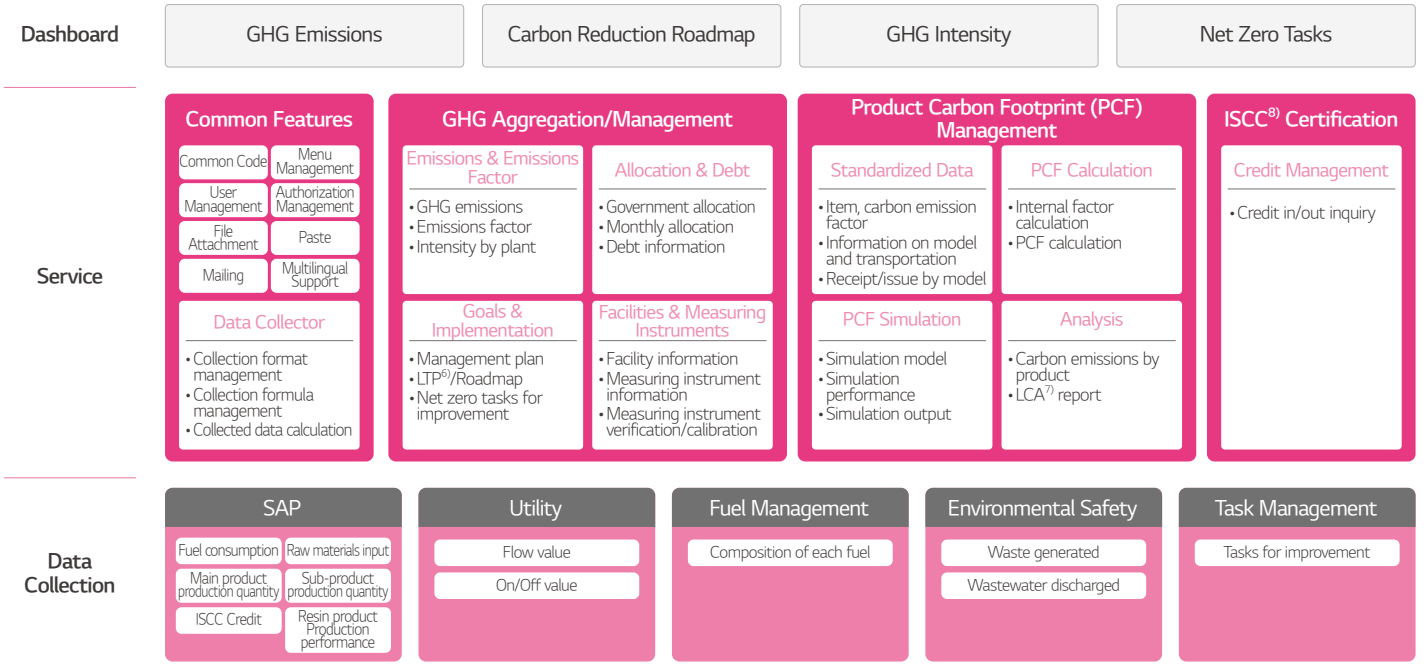
Net Zero Management System

LG CNS successfully developed a Net Zero[1] Management System for Hanwha TotalEnergies Petrochemical based on Factova ESG[2]. With this system, Hanwha TotalEnergies Petrochemical is now better equipped to respond to the requirements of the national greenhouse gas (GHG) emissions trading system, global environmental regulations, and the needs of customers.

Hanwha TotalEnergies Petrochemical calculates its GHG emissions at each site every year and reports them to the government. The company also calculates its monthly GHG emissions to monitor the debt costs associated with purchasing emission credits. In addition, the company is required to set and manage GHG reduction targets across the entire organization. Recently, it has become important to calculate the carbon footprint of each product in order to respond to global environmental regulations and customer demands. Through LG CNS' Net Zero Management System, Hanwha TotalEnergies Petrochemical has established a standardized process for calculating GHG emissions and carbon footprint, and has automated the calculation process by collecting performance data from the Transaction Processing System[3].

Benefits of the Net Zero Management System

- Ensuring data accuracy : The system minimizes manual work and ensures the accuracy of data by using the Data Collector module to automatically collect the data required to calculate GHG emissions and carbon footprint from the transaction processing system.
- Supporting simulation : The system offers a simulation feature that displays changes in PCF (Product Carbon Footprint) resulting from alterations to raw materials or transportation methods, assisting in decision-making. It also supports comparisons of calculated emissions for the same product using different calculation methodologies[4], enabling an immediate response to the specific methodology requirements of clients.
- Responding to system expansion : It is possible to respond to future factory and facility expansions through various modeling[5] management approaches within the system, without system modifications or additional development.



1) Net Zero : Achieving a balance between the amount of GHGs emitted and absorbed, thereby making net emissions equal to zero
2) Factova ESG : Factova is LG CNS' strategic brand, a portmanteau of the words "factory" and "value." It aims to provide differentiated customer value by implementing data-based, real-time autonomous factories. Factova ESG is an ESG-focused solution built on the Factova Framework.
3) Transaction Processing System : A system that handles the daily operations and transactions of a company, mainly performing data entry, processing, and storage
4) Calculation methodologies : CML GWP100, EF 3.1 GWP100 (bio/fossil/land), etc.
5) Modeling : A process of structuring and organizing logic in stages to produce output through the system and mapping related information
6) LTP : Long Term Planning
7) LCA (Life Cycle Assessment) : A process of comprehensively evaluating the environmental impacts throughout a product's life cycle, including raw material procurement, manufacturing, transportation, use, and disposal
8) ISCC (International Sustainability & Carbon Certification) : International certification proving that products are made from sustainable raw materials

Product Carbon Footprint Calculation System

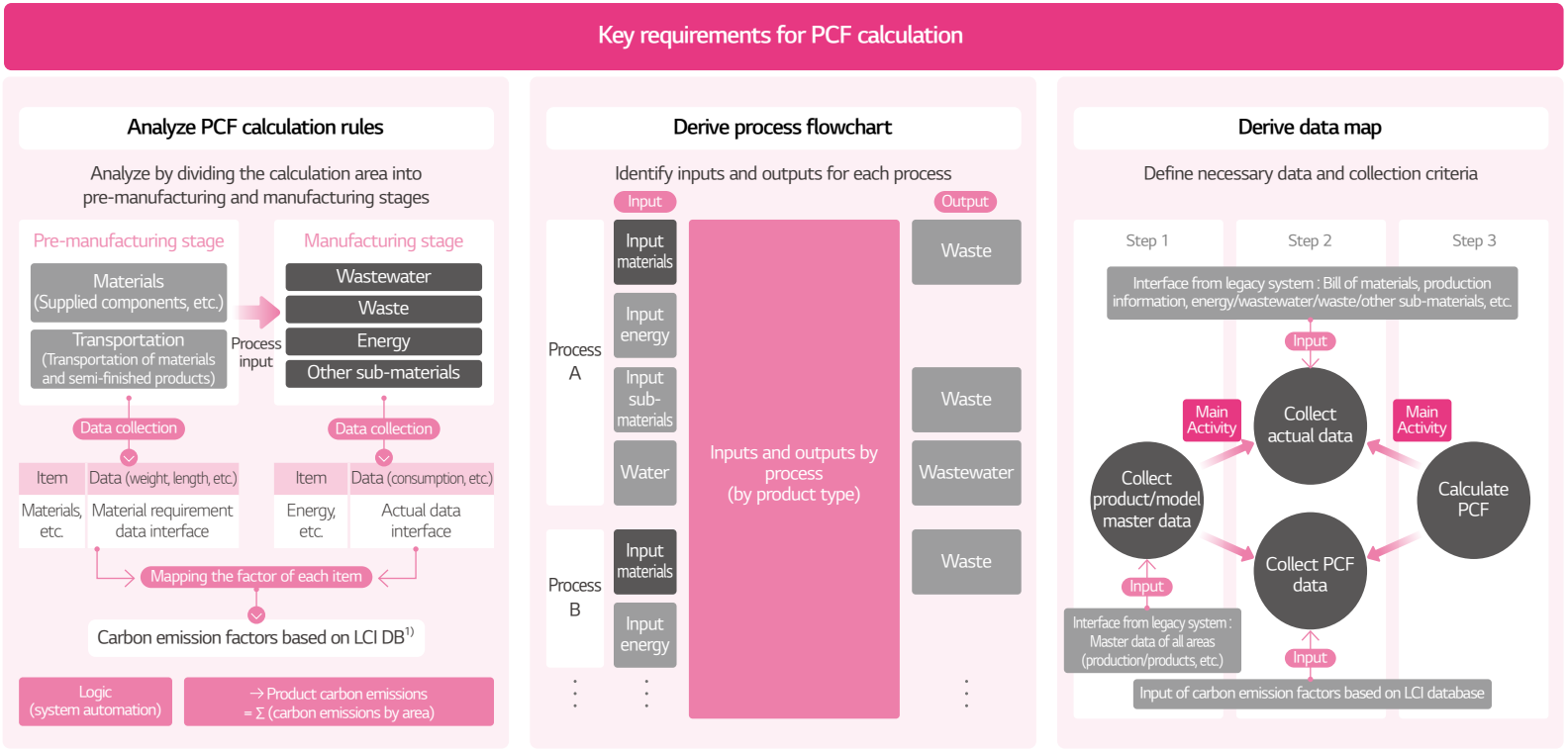
LG CNS successfully built the Product Carbon Footprint (PCF) module for LG Energy Solution's Battery Regulation Management (BRM) system based on our innovative technology and expertise in order to proactively address the EU's strengthened battery regulation management requirements. We have a roadmap for the gradual implementation of the BRM system as LG Energy Solution's battery regulation response platform, which includes not only the PCF module but also technical document management, DBP (Digital Battery Passport), and supply chain data linkage.

The key feature of the PCF module we have built is the "reliability" of the logic that automatically calculates the carbon emissions generated during the production, manufacturing, and distribution stages of a product. The carbon footprint calculation system used by LG CNS is based on the EV battery PCF calculation rules established by the Joint Research Centre (JRC) of the European Commission. The system minimizes manual labor by utilizing performance data from the legacy system, enabling PCF personnel to make a carbon footprint calculation with a single click.

Through this successful collaboration with LG Energy Solution, LG CNS has set an example of positively impacting the environment and proactively responding to global ESG regulations by accurately measuring carbon emissions throughout the entire product life cycle (LCA, Life Cycle Assessment), from raw materials production to the product's use and disposal.

Benefits of Carbon Footprint Calculation System

- Measuring carbon emissions throughout the entire product life cycle
- Responding quickly to internal and external regulations
- Ensuring reliable data linkage



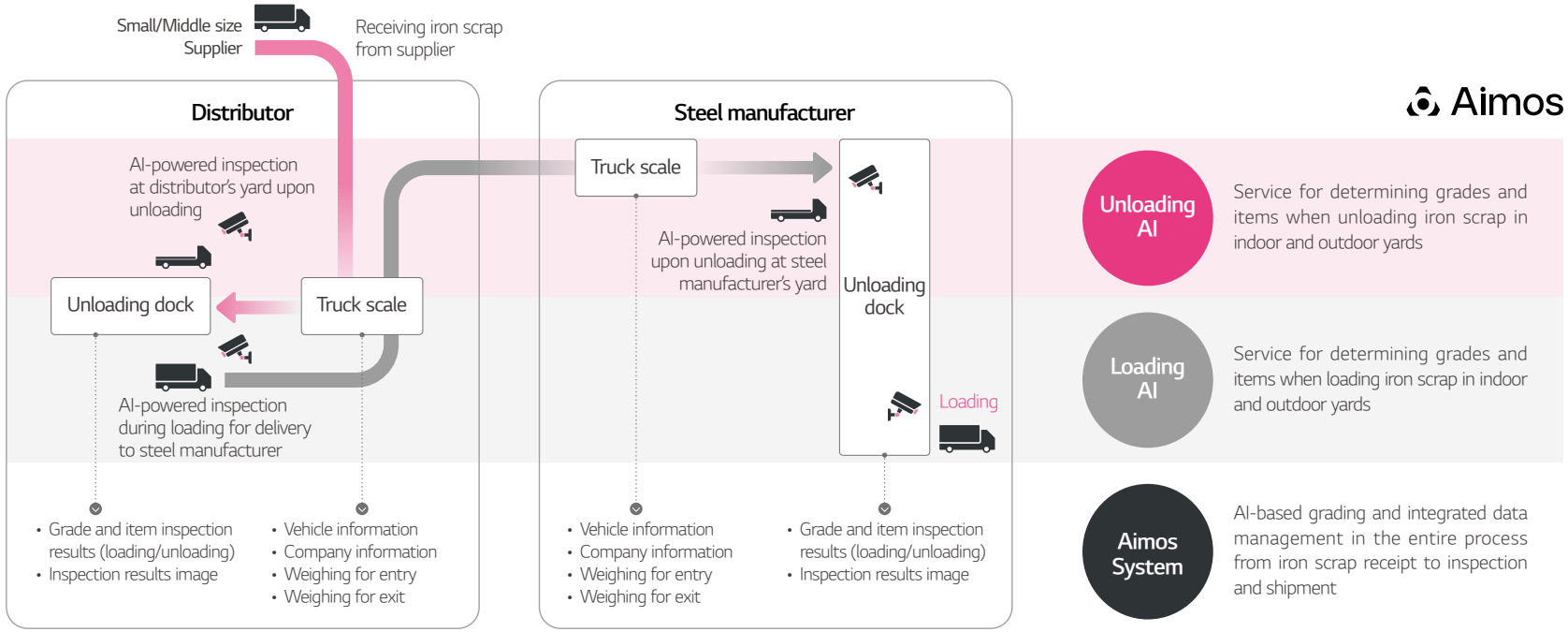
1) LCI DB : Life Cycle Inventory Database

Aimos, AI Iron Scrap Grading Platform

Vision AI-based SaaS[1] Platform for Resource Circulation and Carbon Neutrality

As the importance of carbon neutrality gains global attention, the steel industry is shifting from using blast furnaces—which use iron ore as a raw material—to electric arc furnaces, a relatively low-carbon process. Consequently, iron scrap[2], the primary raw material for electric arc furnaces, is becoming increasingly important. With the introduction of the Circular Resource Designation and Notification System in January 2024, iron scrap is being recognized as a circular resource, highlighting its economic value as a recyclable resource and making it an important part of the circular economy.

In line with this development, LG CNS partnered with Daehan Steel to develop Vision AI technology that can grade scrap iron during intake operations, and is building a SaaS-based system with the goal of transforming the circular resource distribution system. This initiative resulted in the formation of a joint venture in March 2024, which has officially launched commercial operations.



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

Aimos, AI Iron Scrap Grading Platform

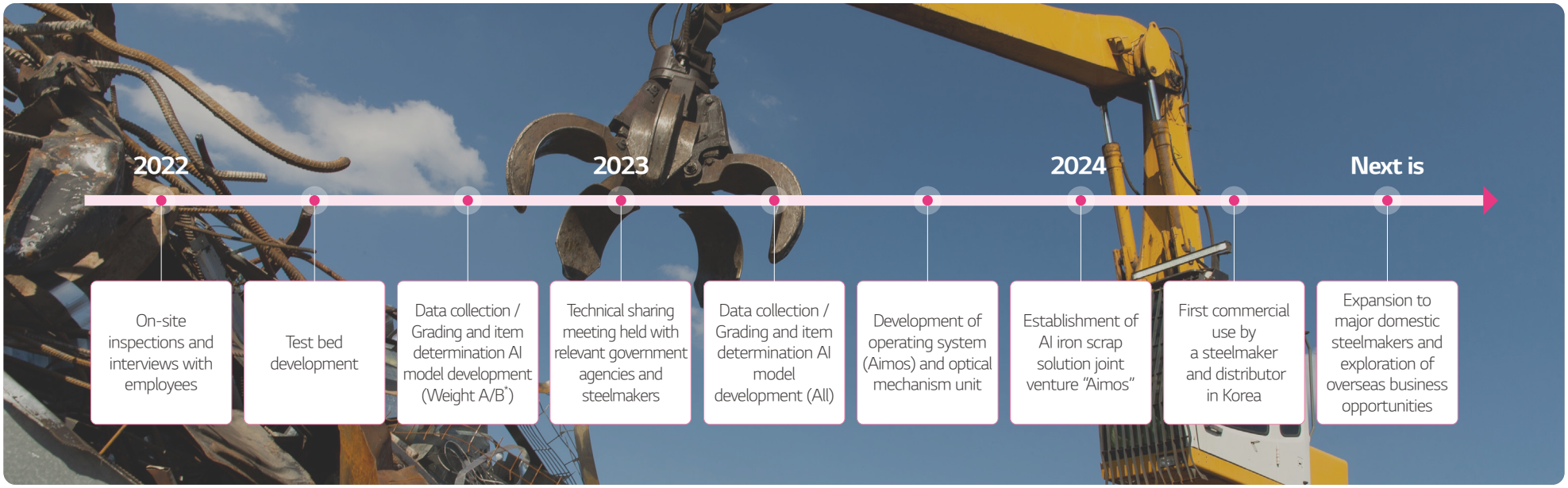
Transforming Iron Scrap Inspection with Vision AI and SaaS Platform

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

In addition, a cloud-based SaaS platform allows inspection data to be collected and integrated across various devices, including PCs, mobile devices, and tablets. This makes collaboration between multiple users easier and integration with existing legacy systems more seamless. In addition, users can access the same level of inspection services worldwide via the cloud system.

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

Aimos Journey



* Iron scrap is graded according to KS (Korean Industrial Standards), with weight A referring to relatively thick and large iron scrap, and weight B referring to smaller or differently-shaped iron scrap.

Enerdict, Virtual Power Plant Solution

The meaning of the word "Enerdict" is to accurately predict energy flows, and it is the optimal solution for corporate clients engaged in VPP[1] businesses.
For VPP operators, it is important to predict the power generation of small-scale renewable energy power plants, whose power generation varies depending on conditions such as the season and weather, and to carry out power dispatch instructions issued by the Korea Power Exchange. Power dispatch instructions are real-time orders issued to each power plant from the Korea Power Exchange, which manages the demand and supply of electricity in Korea, to adjust their power generation; VPP operators are required to follow these instructions.
LG CNS has integrated AI technologies, like machine learning and deep learning, and mathematical optimization techniques, into Enerdict. This allows for more accurate predictions of power generation and optimally responses to power dispatch instructions from the Korea Power Exchange, thereby maximizing operational profits for VPP operators.

Visual depiction of the services provided by Enerdict

In line with the global trend toward RE100[2], demand for renewable energy is rapidly increasing in domestic industrial complexes. In 2024, LG CNS signed a contract to supply Enerdict to national industrial complexes, and the project is underway as of June 2025. Enerdict sells electricity generated at solar power plants within industrial complexes to the power market or to other factories, generating additional revenue for industrial complexes and supporting the achievement of RE100.
Enerdict is currently engaged in the projects to integrate and manage renewable energy power plants in areas larger than industrial complexes, such as smart cities and distributed energy specialized areas, in the first half of 2025, and is leading the domestic VPP solution business. Also, to facilitate the effective operation of numerous small-scale renewable energy power plants worldwide, Enerdict is exploring overseas market expansion through collaborations with organizations such as the World Bank.

ESG Value Creation with Enerdict

Financial Value
- Promote the energy self-sufficiency of companies and contribute to reducing electricity purchase costs
- Contribute to the issuance of ESG bonds and the attraction of eco-friendly investments in line with global investment trends which emphasize eco-friendly management

Environmental Value
- Maximize renewable energy utilization by efficiently integrating and managing various renewable energy resources
- Contribute to the expansion of the renewable energy supply by facilitating the sale of renewable energy produced by companies to the electricity market
- Support companies in achieving RE100 and effectively reduce carbon emissions (Scope 2)

Social Value
- Contribute to power grid stabilization through AI-based accurate renewable energy generation predictions
- Develop an ESG-friendly power trading business model and ensure economic sustainability

1) VPP (Virtual Power Plant) : A concept of operating distributed small-scale renewable energy power plants, such as solar and wind power plants, as a single power plant using information and communication technology
2) RE100 (Renewable Electricity 100%) : A global campaign to meet 100% of a company's electricity consumption with renewable energy sources such as solar and wind power by 2050

LG ESG Intelligence

The LG Group's ESG platform, LG ESG Intelligence, is an integrated management system for ESG management information that starts with managing core ESG indicators, entering, collecting, and managing ESG data, and utilizing and disclosing non-financial management information.
Since its official launch, the platform has been utilized by 10 major affiliates and over 70 related organizations. LG CNS is leveraging AX capabilities to enhance the platform's functionality, including data reliability verification and GHG emissions calculation based on energy consumption. In line with the growing trend toward mandatory ESG information disclosure both domestically and internationally, we will continue to promote the realization of ESG management intelligence based on an ESG data warehouse. To this end, we will apply the platform to overseas business sites and expand the scope of data collection and utilization in order to effectively support each affiliate's responses to disclosure requests and the risk management of non-financial information.

Implementation Progress (~March 2025)

'21.7~'23.6 Design and Implementation
- Establish ESG policies and standards of LG Group
- Develop and verify functions, and load data

'23.6~'24.3 System go-live · Change management
- Go-live for 10 affiliates and over 70 related organizations
- Secure ESG management information intelligence
  - Analysis and prediction modeling of environmental (E) indicators, establishment of data reliability diagnosis system
- Design and implement functions and scope
  - Application to domestic business sites, automation of emissions calculation based on energy consumption, establishment of data interface standards

'24.4~'25.3 System Operation
- Improve ESG management information intelligence functions
  - Expansion to social (S) and governance (G) indicators, and verification of data reliability such as the improvement of financial closing processes
- Expand functions and scope
  - Expansion of indicator coverage, localization/optimization for overseas business sites, expansion of data interface functions to affiliates

Next is··· Upgrade
- Enhancement of functions tailored to user requirements and implementation of AX-based intelligence services
  - Enhancement of functions to improve user convenience, such as data analysis and reporting automation
  - Design and implementation of AX-based services to support innovative ESG management

ESG FACT BOOK

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ENVIRONMENTAL

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Environmental Management

Policy

Environmental Management Policy

LG CNS recognizes that environmental issues are the matter of concern for key stakeholders, including our clients and investors, and an important factor in determining corporate value. In response to the climate crisis, we are implementing activities such as GHG emission management, replacement of data center equipment with high-efficiency models, establishment of an IT-based environmental management system, regular environmental training for employees, and resource recycling campaigns.

LG CNS has been implementing its Environmental Management Policy, which serves as the foundation for environmental management practices, and is making company-wide efforts to prevent environmental risks and fulfill the company's social responsibilities. The Policy applies to all stakeholders within the scope of the company's business activities.

Environmental Management System

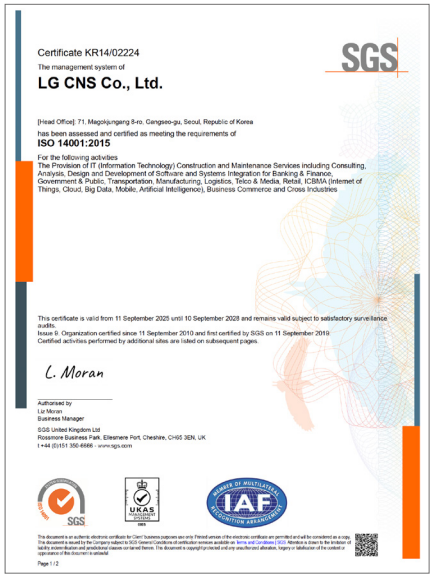
LG CNS has established an environmental management system and manages key environmental indicators to ensure a sustainable future. Recognizing that GHG emissions could pose a significant climate risk, LG CNS has implemented a systematic management approach to energy consumption and GHG emissions across all our business sites. We have obtained and maintained certification for the global international standard ISO 14001 (Environmental Management System) and have newly acquired ISO 50001 (Energy Management System) certification in 2024, proof of our efforts to reduce energy consumption.

Environmental Management Policy

LG CNS fulfills its corporate social responsibility and aims to achieve sustainable management by pursuing the following environmental policy.

- Establish an environmental management system to minimize the environmental pollution generated during business activities, and promote continuous improvement activities
- Recognize global climate change as a shared challenge and strive to minimize the negative environmental impacts caused by greenhouse gas emissions
- Strictly adhere to domestic and international environmental laws and regulations, as well as the requirements of stakeholders, and faithfully fulfill our obligations
- Transparently disclose environmental management information and achievements, and proactively communicate with various internal and external stakeholders

ISO 14001 (Environmental Management System) Certification


Certificate KR14/02224

The management system of

LG CNS Co., Ltd.

[Head Office] 71, Magokjungang 8-ro, Gangseo-gu, Seoul, Republic of Korea

has been assessed and certified as meeting the requirements of

ISO 14001:2015

For the following activities

The Provision of IT (Information Technology) Construction and Maintenance Services including Consulting, Analysis, Design and Development of Software and Systems Integration for Banking & Finance, Government & Public, Transportation, Manufacturing, Logistics, Telco & Media, Retail, ICBMA (Internet of Things, Cloud, Big Data, Mobile, Artificial Intelligence), Business Commerce and Cross Industries

This certificate is valid from 11 September 2025 until 10 September 2028 and remains valid subject to satisfactory surveillance audits.

Issue 9. Organization certified since 11 September 2010 and first certified by SGS on 11 September 2019

Certified activities performed by additional sites are listed on subsequent pages.

L. Moran

Authorised by

Liz Moran

Business Manager

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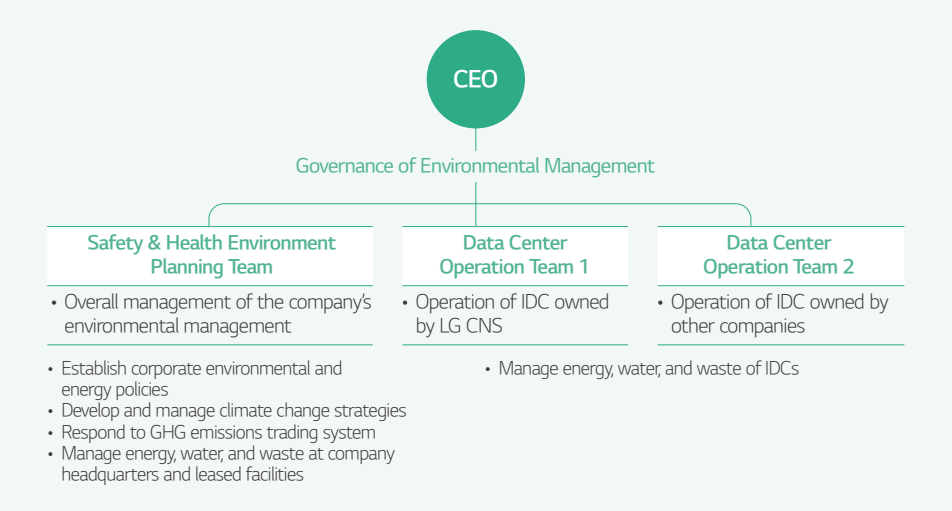
Environmental Management

Environmental Governance

LG CNS has an organizational structure in place to prevent environmental risks and implement environmental management across the entire company. The Safety & Health Environment Planning Team is responsible for overall environmental management company-wide, playing a central role in establishing LG CNS' environmental management system. The team's responsibilities include preventing environmental risks, developing environmental policies, responding to the requirements of the GHG emissions trading system, managing energy and GHG, and enhancing environmental awareness. In addition, Data Center Operation Team 1 and 2 are responsible for the operation and management of Data Centers (IDCs), which are the key business sites.

LG CNS regularly reports its major environmental performance, including energy consumption and GHG emissions, to key stakeholders, such as management and investors, through the Board of Directors, the Compliance Committee, and the EHS Committee. In addition, we are undergoing consulting on the "establishment of a GHG inventory for overseas business sites" to respond to global climate change and expand the scope of GHG management. We plan to ensure the reliability of our data through third-party assurance after calculating emissions.



1) Air cooling method : A method of cooling heat generated by equipment such as servers using cold air, similar to air conditioners used in homes
2) Immersion cooling method : A method of cooling equipment by completely immersing facility equipment in a non-conductive, dielectric liquid, whereby heat is directly transferred to the liquid with high thermal conductivity, resulting in high efficiency
3) UPS : Uninterruptable Power Supply

Goal

Environmental Management Goal and Tasks

The increasing demand for computing resources to support the training and execution of AI models, driven by advancements in AI technology, and the growing need to process and store large volumes of data, such as for cloud services, IoT devices, and streaming services, has led to a consistent rise in the power needs of data centers. LG CNS has established a data center energy efficiency task, and in 2024 successfully achieved its objective of reducing IT power consumption by 10% compared to 2021 and general office power consumption by 10% compared to 2022. In 2025, we are stably maintaining our energy savings performance by managing energy efficiently based on the ISO 50001 system. The current air cooling method[1] has its limits when it comes to handling high-performance equipment, such as the computers used for AI, so we are establishing a mid- to long-term roadmap to manage heat with ultra-high efficiency by utilizing immersion cooling method[2] in stages.

LG CNS Data Center Energy Efficiency Task

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

Replacement with high-efficiency electrical equipment at data centers

Before efficiency improvement: 751.9 TJ in 2021 ▶ After efficiency improvement: 672.5 TJ in 2024

Replacement with eco-friendly energy and energy-saving campaign

11.1% reduction in general office power consumption

51.9 TJ in 2022 ▶ 45.7 TJ in 2024

Ultra-High Efficiency Thermal Management for Data Centers

Achieve the highest level of energy efficiency in Korea by applying ultra-high efficiency thermal management technology to data centers

Road map

	2024	2025	2026	2030
Objective	Establish a plan for applying ultra-high efficiency thermal management	Create a pilot design for data center	Construction/operation of pilot environment and effectiveness analysis	Application to data center
Action Plan	• Review new energy efficiency technologies - Select immersion cooling method • Participate in a national consortium for immersion cooling • Research case studies on immersion cooling operations	• Design and review of necessary resources for building an environment (white space, power, network, piping, etc.) • Environment design (finalization of scale and configuration)	• Construction of pilot environment • Operational data analysis and improvement • Establishment of operational procedures and know-how	• Application of high-capacity services (AI, Big data, etc.)

Environmental Management

Activity & Performance

Operation of Eco-friendly IT System for Data Centers

LG CNS continuously monitors its server room temperatures through an integrated management system (DCIM[1]) which manages the infrastructure (electricity, temperature, humidity, lighting, security facilities, etc.) of the data centers in Busan, Sangam, and Gasan. In the event of imbalances between zones, the system controls the cooling system and optimizes air flow to efficiently manage energy usage in the server rooms. In addition, we are committed to reducing our GHG emissions by installing energy-efficient equipment and LED lighting, as well as solar power generation facilities.

Energy Saved at Data Centers[2]

Data Center	Unit	2022	2023	2024
Sangam	TJ	20.2	29.9	33.0
Busan	TJ	1.6	11.5	17.0
Gasan	TJ	-	53.1	61.8
Total	TJ	21.8	94.5	111.8

Carbon Emissions Reduced at Data Centers

Data Center	Unit	2022	2023	2024
Sangam	tCO_2eq	966	1,430	1,577
Busan	tCO_2eq	77	550	811
Gasan	tCO_2eq	-*	2,540	2,959
Total	tCO_2eq	1,043	4,520	5,347

* Some past data is missing, as replacements were performed sequentially based on the equipment's expiration date

2024 Installed Solar Power Generation

Data Center	Unit	2024	2025 (Projected)
Sangam (Sept 2024~)	TJ	0.19	0.56
Busan (Oct 2024~)	TJ	0.16	0.65

Management of Data Center Water Usage

LG CNS compares the year-over-year water usage on a monthly basis and identifies the reasons for increases or decreases to establish management plans. In addition, we regularly clean water tanks and conduct regular water quality inspections. Despite rising average temperatures in summer, we have maintained the same level of water usage each year through energy conservation activities.

Data Center Water Usage

Data Center	Unit	2022	2023	2024
Sangam	ton	14,774	17,914	16,609
Busan	ton	85,669	92,773	81,392
Gasan	ton	69,766	81,298	71,466
Total	ton	170,209	191,985	169,467

Improvement of Data Center PUE[3]

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

Average PUE Status and Target

Year	2021	2022	2023	2024	2025 (Target)
Average PUE	1.61	1.59	1.55	1.49	1.46

1) DCIM : Data Center Infra Management System
2) Estimated energy saved by applying high-efficiency equipment
3) PUE (Power Usage Effectiveness) : The most widely used indicator in Korea and abroad to measure the power usage efficiency of a data center, which is the total amount of power used by the data center divided by the amount of power used by the data center IT equipment

Environmental Management

ISO 50001 (Energy Management System) Certification

ISO 50001 is an international standard for energy management systems established by the International Organization for Standardization (ISO), which provides a framework for organizations to establish and implement energy policies, set goals, and continuously improve performance.

In September 2024, four LG CNS Data Centers (Sangam, Busan, Gasan, and Hanam) obtained ISO 50001 energy management system certification from DNV, a global certification provider.
As data centers consume large amounts of energy, LG CNS has been engaged in continuous energy-saving activities, such as adopting outdoor air cooling and centralized air conditioning systems, replacing equipment with high-efficiency models, and installing solar power facilities. With the adoption of ISO 50001, we are managing energy in a more systematic way based on the PDCA (Plan-Do-Check-Act) cycle.

ISO 50001 (Energy Management System) Certificate

DNV
MANAGEMENT SYSTEM CERTIFICATE
This is to certify that the centrally implemented management system for
LG CNS Sangam IT Center
424 World Cup buk-ro, Mapo-gu, Seoul, 03923, Republic of Korea
has been found to conform to the Energy Management System standard:
ISO 50001:2018
This certificate is valid for the following site scope:
Management of Datacenter Infrastructure and Operations.

Sangam IT Center

DNV
MANAGEMENT SYSTEM CERTIFICATE
This is to certify that the centrally implemented management system for
LG CNS Busan Global Cloud Data Center
153 Mieumsandan-ro, Gangseo-gu, Busan, 46744, Republic of Korea
has been found to conform to the Energy Management System standard:
ISO 50001:2018
This certificate is valid for the following site scope:
Management of Datacenter Infrastructure and Operations.

Busan Global Cloud Data Center

DNV
MANAGEMENT SYSTEM CERTIFICATE
This is to certify that the centrally implemented management system for
LG CNS Gasan Center
189 Gasan digital 1-ro, Geumcheon-gu, Seoul, 08503, Republic of Korea
has been found to conform to the Energy Management System standard:
ISO 50001:2018
This certificate is valid for the following site scope:
Management of Datacenter Infrastructure and Operations.

Gasan Center

DNV
MANAGEMENT SYSTEM CERTIFICATE
This is to certify that the centrally implemented management system for
Hanam IDC
25 Misagangbyeonjungang-ro 48beon-gil, Hanam-si, Gyeonggi-do, 12938, Republic of Korea
has been found to conform to the Energy Management System standard:
ISO 50001:2018
This certificate is valid for the following site scope:
Management of Datacenter Infrastructure and Operations.

Hanam Center

Environmental Management

Environmental Management Education

LG CNS conducted an online education program on the environment for all employees to raise their awareness of environmental management. We produced customized videos tailored to the industrial characteristics of our company so that employees participating in the program could better understand the necessity of responding to climate change, and presented LG CNS' environmental management goals and vision effectively.

2024 ESG Environmental Education Notice

Resource Recycling Campaign

LG CNS is participating in the "BI:CYCLE" campaign, a project that recycles used hand towels, to promote a circular economy and reduce carbon emissions. For this campaign, which is a collaborative effort with Yuhan-Kimberly to promote resource recycling that began in 2024, we have set up a system to collect and reuse hand towels at our Magok headquarters. More than 20,000 employees from nine affiliated companies in the Magok LG Science Park, including LG CNS, are participating in the campaign. We expect the active engagement of our employees to promote ESG management practices and raise awareness of the importance of addressing climate change.

BI:CYCLE Campaign Poster

Environmental Education Status (for All Employees)

Category	Unit	2022	2023	2024
Number of employees subject to education	Person	6,543	6,914	6,708
Number of employees participated in education	Person	6,051	5,965	4,331
Participation rate	%	92	86	65
Education hours per person	Minute	15	5	9
Total education hours	Minute	90,765	29,825	38,979

Campaign Results

Category	Unit	2024
Amount collected	kg	5,905
Actual amount recycled	kg	3,670
GHG reduced[1)]	$kgCO_2eq$	3,682
Tree planting effect[2)]	Trees	405

1) Used carbon emission factors of Ecoinvent v3.8 & v3.91 and electricity emission factors of the National GHG Emissions Trading System
2) Used a paper published by the Korea Forest Service in 2019 (carbon absorption of 30-year-old pine trees in the central region : 9.1 kg CO_2eq/tree * year) as a reference

SOCIAL

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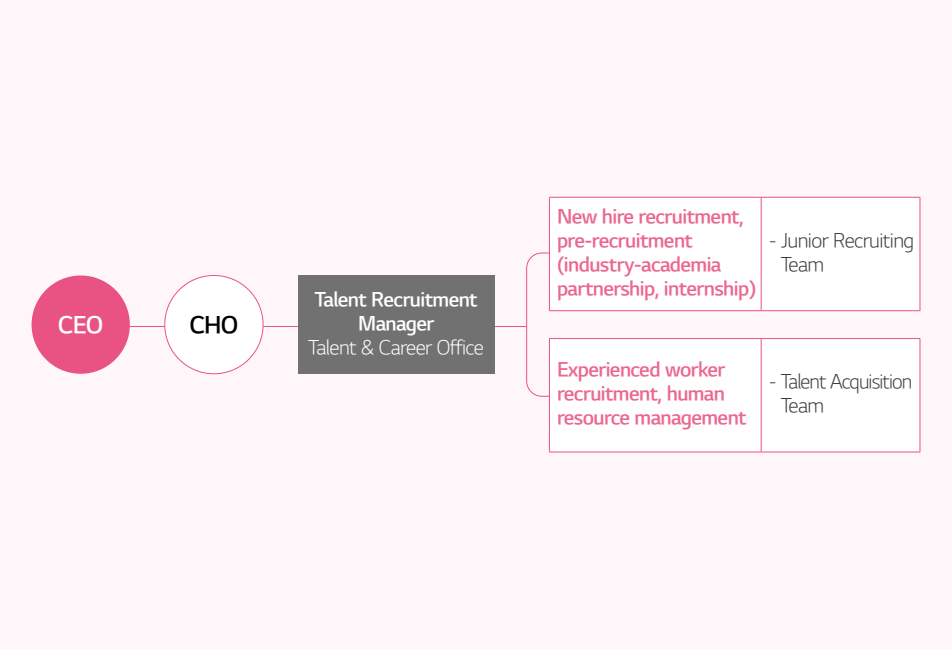
Human Capital Management

Policy

Recruitment Policy

LG CNS secures the best talent to provide higher value to our clients and solidify our foundation for growth. We recruit DX (Digital Transformation) experts based on a concept of talent that includes the competencies, mindsets, and behaviors that LG CNS employees should possess, such as expertise (Insightful Expert), innovation (Game Changer), autonomy and responsibility (Empowered Achiever), growth (Self-motivated Learner), collaboration (Synergy Builder), and respect (Open-minded Listener). Furthermore, we aim to strengthen our position both domestically and internationally as a leading AI service provider by recruiting and training AX (AI Transformation) experts with enhanced AI capabilities.

Talent Recruitment Management Organization

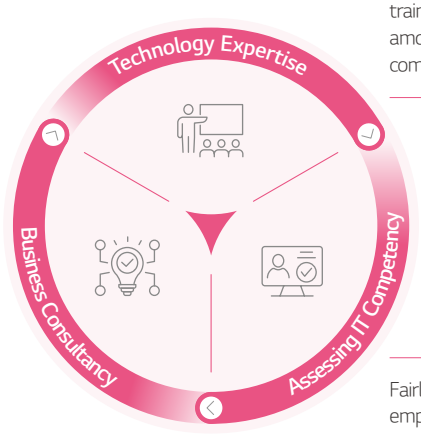


Talent Development Policy

At LG CNS, we foster the technical and business consultancy expertise of our employees so that they can be recognized as top experts in their fields and take pride in their work. LG CNS cultivates top-notch talent to lead AX beyond DX. To foster an internal culture centered on technical competence, we enhance our employees' skills by providing personalized learning experiences, shifting away from one size-fits-all training, and striving to instill a culture of learning in individuals and organizational units. In addition, we conduct a "TCT (Technology Certification Test)" for all employees to fairly and objectively measure the technical competency of our employees, and provide direction and motivation for individual competency development.

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

Foster consulting capabilities to analyze clients' pain points and provide solutions using information technologies



Fairly and objectively measure employees' technical competencies by taking into account the specific technical, job and role characteristics of each field

Talent Development Management Organization

Human Capital Management

Goal

Strategy and Goals of Talent Development

LG CNS aims to strengthen the technical capabilities of its employees by offering personalized training tailored to their jobs and roles. We have established a training system for emerging information technologies such as AI, data, cloud, agile, and AM[1] to build expertise in DX technologies, and offer a range of training courses to cultivate experts. In addition, we hold the Insight+ Tech Seminar to help our employees learn quickly about new technology trends and respond to rapidly evolving technologies.

In 2025, we will foster AX expert candidates to secure AX leadership and equip them with advanced capabilities to leverage GDC (Global Delivery Center)[2] and AIDD (AI Driven Development)[3] to enhance productivity. We will also operate a PM School to strengthen the core project implementing capabilities of PM candidates. Furthermore, we will enhance leaders' execution capabilities by sharing the company's strategic direction, holding quarterly leadership forums, and offering customized programs based on leadership models. Additionally, we plan to establish a leadership development system and expand leadership surveys to identify and nurture prospective leaders, thereby building our next-generation leadership pipeline.

We will implement the Technical Competency Committee Evaluation[4] to assess employees' technical competencies in the manner most appropriate for their job characteristics, and diversify the certification methods to improve evaluation accuracy. Moreover, we plan to strengthen the technical competencies of employees at the newly established Vietnam Build Center[5] (2023) and Indonesia Build Center (2024), with the goal of developing them as overseas business partners that can grow alongside the headquarters.

1) AM (Application Modernization) : A technology of breaking down complex programs into smaller units, and integrating and reconfiguring them to increase business agility
2) GDC (Global Delivery Center) : A global collaborations framework with overseas developers specialized in specific business areas, overcoming the limitations of time and space
3) AIDD (AI Driven Development) : A development approach that applies AI technology across the entire process of analysis, design, development, and testing, to optimize implementation processes and completely transform project implementation by leveraging various AI assistants
4) Committee Evaluation : A method of assessing real-world performance and job-related competencies beyond basic knowledge through a committee of technical experts
5) Build Center : A specialized implementation organization established by LG CNS to support project delivery

Activity & Performance

LG CNS Concept of Talent

For LG CNS, talent comprises the core competencies and ways of thinking and attitudes that employees must possess in order to achieve the company's mission, vision and strategy. To define talent, LG CNS gathered ideas from leaders and employees through various channels, and developed six values unique to LG CNS. Based on these six values, we have defined recruitment criteria for each organization and incorporated them into the interview process to select outstanding talent.

Recruitment of Outstanding AX Specialists

LG CNS operates an optimized recruitment process to secure the best elite experts who will lead AX beyond DX. We are recruiting talent in fields that include AI, big data, cloud, architecture, smart logistics, smart factory, and ERP to evaluate applicants' IT capabilities in a multifaceted manner. Successful candidates are provided with IT career training and job-specific training opportunities.

LG CNS operates an internship program twice a year, in summer and winter. The program is designed to select talented individuals with potential, and applicants are recruited separately for bachelor's and master's/doctoral degrees. Applicants with master's or doctoral degrees are able to choose the timing of their internship. During the internship, participants work with mentors to complete assigned tasks, presenting their final project during the last week of the program. Successful interns may join the company as entry-level employees upon graduation.

Human Capital Management

Industry-Academia Cooperation Program

LG CNS operates partnership programs with Korea's leading universities, including Seoul National University, Yonsei University, Korea University, and Chungang University. We offer recruitment-linked internships in summer and winter to nurture and secure talented IT professionals, and specialized courses for specific areas such as AI, big data, consulting and security. In addition to educational courses, we also conduct collaborative activities with universities in fields such as technology development, software competitions, and textbook publication, and are expanding internships for local universities to secure local talent. LG CNS is considering launching additional industry-academia cooperation programs, and plans to continue securing AX-specialized talent by selecting more than 30 graduate students each year. The selected students are provided with full tuition coverage and modest amount of financial support for living. They are also guaranteed employment at LG CNS upon completing their master's degree.

Industry-academia cooperation agreement signing ceremony with Yonsei University Graduate School

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

AX Expert Development

LG CNS is committed to developing experts who can lead AX business and implementation by helping employees build the necessary capabilities to apply AX effectively. To this end, we have defined the profiles of AX experts for each business domain and identified their roles, tasks, and required competencies. Based on this framework, we have established a training system that provides mandatory and elective training. In addition, we have implemented internal certification standards that include mandatory training courses tailored to AX experts and project-based experience.

Support for Acquiring Technical Certification

LG CNS supports its employees in developing their technical skills and obtaining industry-recognized certifications from leading global IT companies. LG CNS has over 3,900 certifications held by employees from three global CSPs (Cloud Service Providers), including Google Cloud, AWS, and Microsoft. We offer our employees various benefits, including reimbursement for certification exam fees and bonuses for passing the exams.

My Career Up, a Career Self-Development Program

LG CNS helps its employees to experience various jobs and develop their careers independently through "My Career Up" program, a self-planning career development program in which employees can find and apply for the job and the team they want. Applicants check job openings on the internal My Career Up bulletin board and apply to the desired department. After receiving final acceptance, they are transferred to the department within two months. This creates a virtuous cycle in which employees are encouraged to develop their competence and careers, while the organization evolves into one that its employees wish to work for. Since 2021, approximately 850 employees have passed the selection process and moved to their desired teams. LG CNS continuously supports employees to develop their careers even after joining the company.

Career Design : A Time to Reflect on Your Career

LG CNS offers a Career Design program to help employees continuously reflect on and develop their careers. To assist employees in designing their careers at a technology-driven company, we offer career development coaching sessions led by internal experts. We also provide special lectures on financial planning to address personal life concerns. Through these initiatives, we aim to provide an experience in which careers are developed not only in the workplace but also in the broader context of an individual's life. Since 2016, over 2,000 employees have completed the Career Design program.

Overseas Employee Technical Training

LG CNS provides technical training to overseas developers belonging to the Global Delivery Center (GDC), a global collaboration framework involving overseas affiliates. To strengthen the technical capabilities of employees of the Vietnam Build Center, established in 2023, we have established a training system segmented by job type, such as software development, solution development, cloud, architecture, and enterprise solutions, and provide customized training according to each employee's duties and roles. We have developed a training curriculum with our in-house technical experts, and overseas employees are working with employees at headquarters to enhance their capabilities. Going forward, we plan to train local employees to become in-house training experts, enabling the Build Center to deliver training independently.

Human Capital Management

DX Expert Training System

LG CNS is working to become an organization composed of technical experts and has been continuously expanding its DX technology training activities. Based on the DX technology classification system, we provide training according to each employee's skills and level. Top technical experts both within and outside the company share their practical knowledge of LG CNS' core competencies with the employees. Since 2023, we have introduced and utilized an online training platform to enable all employees to access diverse training content. We also provide on-site training at project locations for employees who find it difficult to attend training at headquarters, enabling them to learn on-site.

In addition, we have offered online and in-person training to enhance the capabilities of subsidiaries, suppliers, and GDC employees within LG CNS' collaborative ecosystem. Furthermore, we have implemented collaborative training programs between the headquarters and the GDC to promote practical collaboration and reduce the time required for the kickoff of GDC projects.

Technology

Digital Technology Competency Training

AI	Big data	Cloud
AM	Smart factory	New technology platforms and solutions

Fundamental Technology Competency Training

Data scientist	• Data engineering • Big data analysis	ERP[1] expert	• SAP • Oracle
Convergence expert	• Smart city • Smart logistics	Security expert	• Security
User experience expert	• UX design	Quality expert	• Methodology • Quality
Application architecture	• Framework • Testing • Middleware[2] • UI	Infrastructure architecture	• Operating system • Network • Database • Cloud computing
Analysis designer	• Process modelling • Domain-based analysis design • Data modeling	Project manager	• Project management

Programming Language

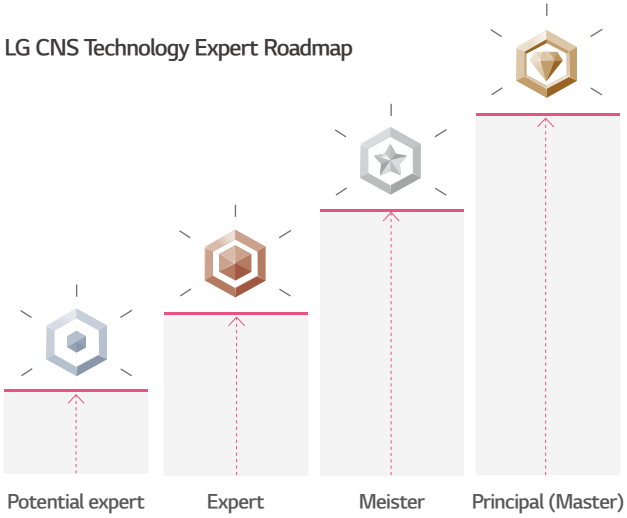
New Employees Technical Training

Technology Competency Evaluation System

LG CNS is committed to supporting the efforts of its employees in becoming technical experts in their respective fields. Since 2016, we have been conducting our proprietary TCT (Technology Certification Test) to foster and assess the technical competencies of our employees. The evaluation system is updated annually to reflect changes in technology, business models, and overall strategic direction. In 2024, we enhanced the evaluation process by introducing the "Technical Competency Committee" system, where experts evaluate their peers. This system complements the TCT by enabling a more multifaceted and field-based assessment of individual technical competencies.

Additionally, for technical positions, we conduct separate in-depth evaluations of high-performing employees with advanced technical capabilities. Through this evaluation, we select potential experts, experts, meisters, and principals at each stage and provide them with differentiated opportunities and rewards.

LG CNS Technology Expert Roadmap



1) ERP (Enterprise Resource Planning) : An integrated information system that strengthens corporate competitiveness in the sense of enterprise-wide resource management
2) Middleware : A software that enables smooth communication when different types of hardware or communication environments are connected

Human Capital Management

Organization-Customized Team Building Program

LG CNS implements customized team-building programs tailored to various situations for each team and project. Based on a clear preliminary assessment of each organization, we define specific team growth goals, design customized solutions, and implement team-building programs. These programs help leaders establish a direction for growth and empower them to guide their teams forward. At the same time, team members develop a greater sense of shared purpose and increased work engagement, resulting in positive outcomes. In 2024, a total of 4 teams and 91 employees participated in the team-building program.

Number of participated teams
4 teams

Number of participants
91 people

Organization-Customized Team Building Program Process

Accurate Assessment	Customized Solution Design	Team Building Program Implementation
Clarify the team's growth direction through preliminary surveys and interviews	Clarify the team's growth direction through preliminary surveys and interviews	Conduct activities for team growth and develop action plans

Organization-customized team building program

Strengthening Leadership and Global Competency

LG CNS provides various competency enhancement programs to help employees continuously develop their leadership and global competencies. We conduct regular leadership surveys based on LG CNS' unique leadership model and use the results to develop customized leadership development plans for organizations and individuals, as well as to support the effective exercise of leadership in the workplace. Notably, we host the company-wide "Leadership Forum," where CEOs, executives, and team leaders gather to share insights on company changes and strategic directions; the "Coaching Leadership Program," which provides various programs such as one-on-one coaching, team coaching, and coaching development certification; and the "Leader Care Program" to enhance leaders' resilience. We have also established a new system for cultivating leadership candidates to strengthen our leadership pipeline.

LG CNS operates in overseas markets that include the United States, Vietnam, and Indonesia. Accordingly, we are strengthening our global capabilities so that our employees can understand the different cultures and communication styles of each country and meet the needs of overseas clients. Launched in 2016, G-CAMP (Global-CAMP) is a specialized language program developed by in-house experts who have experience in overseas business, and utilizes LG CNS' own global business cases. In 2024, we established the Vietnam GDC course to facilitate smooth communication with Vietnam Build Center employees, and developed customized teaching materials that reflect the GDC utilization process specifically for this course. Starting in 2025, we launched the "[English] Business Communication Coaching" program, a one-on-one native speaker coaching program, to actively support our employees engaged in global business. By providing our employees one-on-one coaching with customized content whenever they need it, LG CNS helps all employees acquire communication skills that can be immediately applied in real situations, such as building relationships with global clients and giving business proposal presentations.

Leadership forum

G-CAMP

Human Rights Management

Policy

LG CNS Human Rights Policy

Respect for Human Dignity Respect all workers as human beings and ensure that there is no sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, verbal abuse, or unreasonable restrictions in the workplace, thereby preventing harsh or inhumane treatment.

Non-Discrimination Ensure that there is no discrimination based on nationality, race, age, gender, sexual orientation, disability, pregnancy, religion, political affiliation, union membership, or marital status in the operation of personnel systems such as hiring, promotion, compensation, and training, as well as in the provision of products and services.

Prohibition of Forced Labor Do not force labor that goes against an individual's free will by unjustly restricting mental or physical freedom through violence, threats, or confinement. All labor must be voluntary, and employees should not be required to surrender government-issued identification, passports, or work permits as a condition of employment.

Prohibition of Child Labor No child laborers are employed in any position. A "child" refers to a person below a certain minimum age, which is determined by the laws and regulations of each country and region. When employing young workers above the legal minimum employment age, legal working hours are observed, and they are not assigned to jobs that are harmful or dangerous to health, safety, morals, or well-being.

Working Hours Comply with the regulations regarding regular working hours, overtime, and holidays as specified by the laws and regulations of each country and region.

Wage and Welfare Compensation provided to all workers complies with the labor laws and regulations of each country and region, including minimum wage, overtime, and statutory benefits.

Freedom of Association Recognize the freedom of association and rights guaranteed by the labor laws and regulations of each country and region, and create an environment where workers can communicate with management about working conditions without fear of discrimination, retaliation, intimidation, or harassment.

Protection of Personal Information Stakeholders' personal information is strictly protected, and it is not disclosed or used for other purposes without prior consent from the stakeholders. Additionally, truthful information is conveyed without providing false facts or information, and promises are always kept.

Safety and Health Create a safe and hygienic working environment for all employees, including staff of partner companies. Establish a safety and health management system to prevent accidents and comply with safety and health-related laws.

System for Diversity & Inclusion

LG CNS respects the diversity of its employees in all forms, including age, gender, nationality, race, religion, and physical or mental disabilities. We also respect the unique characteristics and values of each individual, such as marital or pregnancy status and social class, and ensure that we do not discriminate. As part of our policy to actively support maternity protection, we actively ensure the use of various legal systems such as pre and post-natal leave, spousal paternity leave, and parental leave, and work actively to hire people with disabilities through Haengbokmaru. To embrace generational diversity, we operate an individualized "People Care" program based on the life cycle stage of each individual employee and provide unique and differentiated positive experiences for all our team members.

In terms of work environment, we conduct client abuse prevention activities and work environment improvement activities to ensure that our employees can work in a stable and comfortable environment. We are changing the ways in which we work to allow more flexible and autonomous arrangements by implementing a self-responsibility work system that allows employees to work from home on a permanent or flexible basis to achieve a better work-life balance, and are gradually expanding our smart offices.

LG CNS enables its employees to contribute to society both internally and externally, fostering a sense of belonging and pride in the company. As an AX specialist, we provide various People Care programs, including "Digital Coding Camp," which contributes to local communities by leveraging our IT expertise.

Key Directions of People Care in 2025

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

Human Rights Management

Goal

Key Goals

LG CNS aims to actively accept the opinions of its employees and transform those opinions into positive results. To this end, we have expanded the People Care program under the keyword "Project site-oriented LG CNS." We conduct regular site visit programs for employees working at project sites to demonstrate that we are as committed to taking care of them as we are our employees at headquarters. We also strive to improve the working environment by conducting regular on-site inspections to ensure that employees working at project sites have a safe and comfortable workspace.

In 2025, we aim to further diversify our support by adding the keywords "ONE CNS" and "Family-friendly" to "Project site care." We will establish a People Care program that allows all employees to participate, regardless of their role, and operate family programs that reflect diverse family types to expand the meaning of the workplace and create a more dynamic work environment for employees. In addition, we will continue to diversify our programs centered on project sites and proactively provide the necessary support to each site, regardless of its location, to enhance the satisfaction of employees across all business sites.

Activity & Performance

People Care Program

LG CNS provides positive experiences to its employees through project site-oriented People Care programs that respect workplace diversity and meet the needs of site members. We have developed outreach programs that are not restricted based on region, and promote communication and unity among all employees through programs organized by project and business division.

The People Care program operates a total of 40 programs under four themes : Project Site Care, Family Care, Team Building, and Refresh. All programs contribute to high satisfaction by promoting positive employee experiences and organizational and work engagement, resulting in improvements in work efficiency. In addition, we collect feedback from program participants to upgrade the program every year and enhance the program quality. We also reflect the requests of employees submitted via email and the Labor-Management Council to provide programs that will fulfill practical needs.

People Care Program Participation Status[1)]

Project-site Care Program

Target | Employees working at project sites

Participants
4,148 people

Family Care Program

Target | Children/parents of employees

Participants
1,386 people

Team Building Program

Target | All employees

Participants
3,581 people

Refresh Program (Hotels, Resorts, Glamping, etc.)

Target | All employees

Participants
7,531 people

1) Participation period : January 2024 to April 2025

Human Rights Management

Sexual Harassment and Workplace Bullying Prevention Training

LG CNS conducts sexual harassment and workplace bullying prevention campaigns and training to understand the diversity of its employees and create a healthy organizational culture for all. To prevent sexual harassment and workplace bullying, we raise awareness to ensure our employees understand the concepts of sexual harassment and workplace bullying through in-house bulletin board notices and education. In addition, we provide a reporting system that enables employees to report and resolve incidents if they occur.

Support for Employees with Disabilities

In 2016, LG CNS established Haengbokmaru Co., Ltd., a subsidiary of LG CNS. Haengbonkmaru is a standard workplace designed to facilitate the employment of people with disabilities and enhance employee welfare. Haengbokmaru operates a range of services, including our in-house cafes, cleaning services for employee office areas, and massage services by the visually impaired at the Magok LG Science Park headquarters, Sangam DDMC, and Sangam IT Center. Out of a total of 108 employees, 96 are disabled workers, and 94 have severe disabilities. Nine managers (including four with disabilities) guide employees in their work and support their career development, while professional counselors provide emotional and psychological counseling. In addition, we provide convenience facilities, exclusive lounges, and group insurance for employees with disabilities. We also have entered into a business agreement with the Korea Disabilities Art Association to increase cultural and artistic opportunities for people with disabilities, hosting four annual exhibitions of works by disabled artists, and participate in social contribution activities in collaboration with the Korea Employment Agency for Persons with Disabilities. In recognition of our active efforts to promote employment and improve working conditions, we received commendations from the Minister of Employment and Labor at the Competition to Promote Employment for People with Disabilities (2018, 2022) and were selected once again as an outstanding employer for people with disabilities in 2024, following our selection in 2021. Moreover, we were selected as an outstanding workplace with no discrimination by the Ministry of Employment and Labor and the Korea Labor and Employment Service (2024) and received an award from the Minister of Employment and Labor.

Haengbokmaru

- Received commendation from the Minister of Employment and Labor at the Competition to Promote Employment for People with Disabilities (2018, 2022)
- Selected as an outstanding employer for employees with disabilities (2021, 2024)
- Selected as an outstanding workplace with no discrimination (2024)

Female Leaders Forum

LG CNS hosts Female Leaders Forums to encourage the career development and networking of female leaders and strengthen their leadership capabilities. In 2024, the forum featured special lectures by female CEOs from outside the company, group discussions, and CEO roundtable discussions, providing opportunities for female leaders to grow professionally and communicate with their seniors and juniors. In 2025, the forum will focus on career development and leadership for female leaders. Through this, we plan to focus on strengthening leadership to achieve results while building a network among female leaders.

Female Leaders Forum

Preventing Client Abuse and Handling Grievances

LG CNS strives to protect its employees from client abuse by visiting workplaces and listening to employees' concerns. In addition, we conduct employee surveys and produce videos promoting the elimination of abuse, and distribute them to clients to help employees focus on their work without stress.
LG CNS is committed to addressing employee grievances reasonably to ensure human rights protection, enhance workplace satisfaction, and foster a healthy work environment. We operate a grievance handling program on an ongoing basis, and employees can report any concerns through the internal grievance handling board at any time.

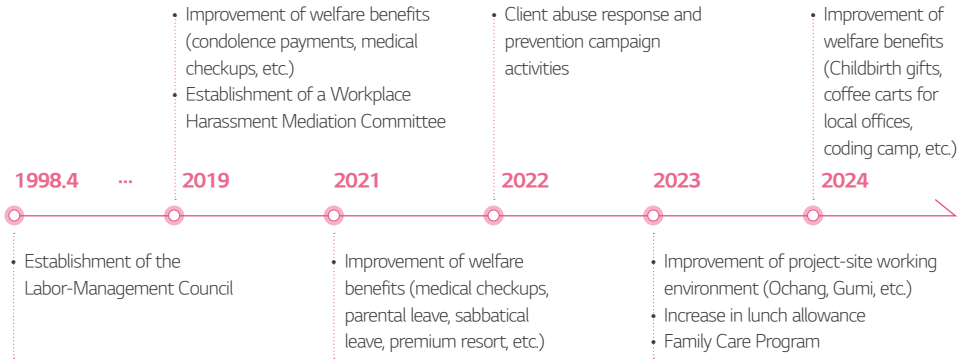
Human Rights Violation Redress Process

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

Human Rights Management

Labor-Management Council

LG CNS operates the "Labor-Management Council" as a representative body that delivers the voices of employees to management and discusses important issues. The Labor-Management Council, consisting of six employee representatives and six management representatives, holds regular meetings once per quarter and ad hoc meetings when necessary to discuss major issues. The representatives of employees include one female representative, and are composed in proportion to the number of employees in each business division. The council addresses various issues, such as employee grievances, working conditions, and management strategy, and carries out activities for employees, such as salary adjustments, funeral association operation, and pregnancy care programs. In 2024, the Labor-Management Council was held five times.



Customized Support for Project Sites

LG CNS holds CEO site visits called "Chunmun Hyeondab (Q&As)" to listen to the opinions of employees at project sites. More than once a month, the CEO, CHO, and CFO visit project sites to answer questions from employees. In addition, we hold HR meetings called "In.ter.FACE" to lower the communication barrier with the HR department and "WITH PM" to communicate with PMs on project sites, striving to actively listen to the opinions of our employees. We foster a positive organizational culture at project sites through programs such as "Chunchelin," which delivers gourmet boxed lunches to project members working in remote areas, and "Jeungmi PLUS and Ochang PLUS" committees which are composed of project site employees. In addition, we hold "Round Table Meetings" at least twice a month, in which the CHO directly visits project sites to discuss better ways forward in an open setting.

Educational Expense Support for Employees with Children

LG CNS provides scholarships to support employees with children with their educational expenses. We provide financial assistance for admission fees, tuition, and school operating expenses, offering up to KRW 2 million per year for middle school students, KRW 4 million per year for high school students, and KRW 10 million per year for university students. Assistance is guaranteed regardless of length of service or employment status, reflecting our company's policy to reduce the financial burden of educational expenses for all employees without discrimination.

Support for Special Education Expenses for Employees' Children with Disabilities

LG CNS provides financial support for special education expenses of children with disabilities to help employees with disabled children. For employees with children age six or older, we cover actual expenses such as admission fees, tuition, and school operating costs, regardless of whether the education is public or private, up to a monthly limit of KRW 1 million. This stems from our policy of understanding and embracing not only employees with disabilities, but also employees who have children with disabilities.

Parental Leave

At LG CNS, employees can take a maximum of two years of parental leave, including the statutory parental leave, enabling employees who are new parents to spend more time with their children. This stems from LG CNS' policy to respect and embrace our employees with children, and employees can feel free to take parental leave in an organizational culture that actively supports it.

Maternity Care and Female Employees Support Programs

To protect and respect pregnant and parenting employees, LG CNS ensures that they have access to various programs such as pre- and postnatal leave, spousal paternity leave, reduced working hours during pregnancy and childcare, and time off for prenatal care. In addition, we understand the difficulties caused by physical differences between men and women, and to accommodate these differences, we guarantee menstrual leave for female employees.

Human Rights Management

Employee Welfare Program

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

Program	Description	
Life Cycle Benefits	• KRW 2.5 million and congratulatory wreaths for first marriage after joining the company (for employees who have worked at least a year) • Interest support for student loans for new employees, gifts for promotion to specialist • "Digital Coding Camp" for employees in their second year of employment	• Support for travel vouchers for retirees • In the event of an employee's death, an in-house bereavement committee provides support for the bereaved family, as well as support for funeral expenses and provision of funeral goods
Family-Friendly Programs	• In-house daycare centers provided at Magok Headquarters and Sangam DDMC and Twin Towers in Yeouido • Provide psychological tests for children, birth gift, gifts for elementary school entrance, and college entrance exam, etc.	• Provide welfare cash benefits such as holiday welfare points and support for 60th and 70th birthday celebrations • Operate "Family Day" program : Magic show, Happy Parents Day, Magok Spring Camp, Our Film, Spring picnic and vegetable garden experience, Art drawing festival, etc.
Output-Based Work System	• Work hours and location can be flexible based on individual schedules and life patterns • Operating more smart offices and base offices	
Overtime Restrictions	• Turn off the cloud for those working more than 52 hours per week to ensure employees are well-rested and to comply with legal requirements (No access to work environment when cloud is off)	
Support for Long Term Service Rewards and Vacation Usage	• Offer "Refresh Vacations" with paid time off for a minimum of three weeks and a maximum of one month : either a reward or a sabbatical guaranteed every five years • Offer a variety of luxury resorts and glamping sites, including Ananti, Paraspara, Resom, Hanwha Premium Resort, Jeju Artvillas, Hawaii Hilton and more	
Reward	• CEO Rewards : Select and reward outstanding performers each year through recommendation from business divisions • Provide spot incentives for successful projects and business division rewards	
Hobbies & Sports Programs	• Operate 12 in-house clubs known as "Infomal" • Year-end company-wide e-sports competition (online LoL game competition) • Free rental of 2 books per month for 2 weeks through LG CNS e-Library	• Four free tickets for LG TWINS baseball games and four free tickets for Seoul FC soccer games each year • Executive-only golf course membership benefits expanded to all employees (midweek) • Hold company-wide futsal and soccer tournament (Chun FC)
Mental and Physical Healthcare	• One-on-one psychological counseling with a professional counselor provided at the employee's convenience through our in-house counseling center • Operating a mind sanctuary : Regularly sending out newsletters with articles and methods to help with mental care • Providing health therapy : Professional therapists hired to provide professional massages • Operating programs for team building and mental care of employees : Rooftop terrace parties, Party on Site, One-day trip, etc.	• Send PM support gifts, project support gifts • In-house fitness center • Supporting medical expenses for serious diseases, group insurance, flu vaccination, etc.
Promotional Discounts for Employees	• Offering promotions and discounts on hotels, airline tickets, amusement parks, etc. • Providing life care points : Purchases of LG Electronics devices, groceries, etc.	

Information Security

Policy

Information Security Policy

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

Our information security management system is governed by a regulation that declaratively sets out management's commitment to and direction for information security, as well as 16 specific rules categorized by information security area. The 16 detailed rules are organized into common and business-specific areas, enabling swift and flexible responses to rapid internal and external environmental changes and the incorporation of new technologies resulting from changes in business methods and models. We provide more detailed information in the form of guideline to employees who perform relevant duties.

Policy Framework

Category	Description
Regulation	A document that defines the basic principles and guidelines for performing work as stipulated in company regulations
Detailed rules	A document that describes specific methods for implementing the basic principles and guidelines to perform the work stipulated in the regulations
Guideline	A document that can be used for guidance, promotion, and education for employees who perform relevant duties

Information Security Detailed Rules

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

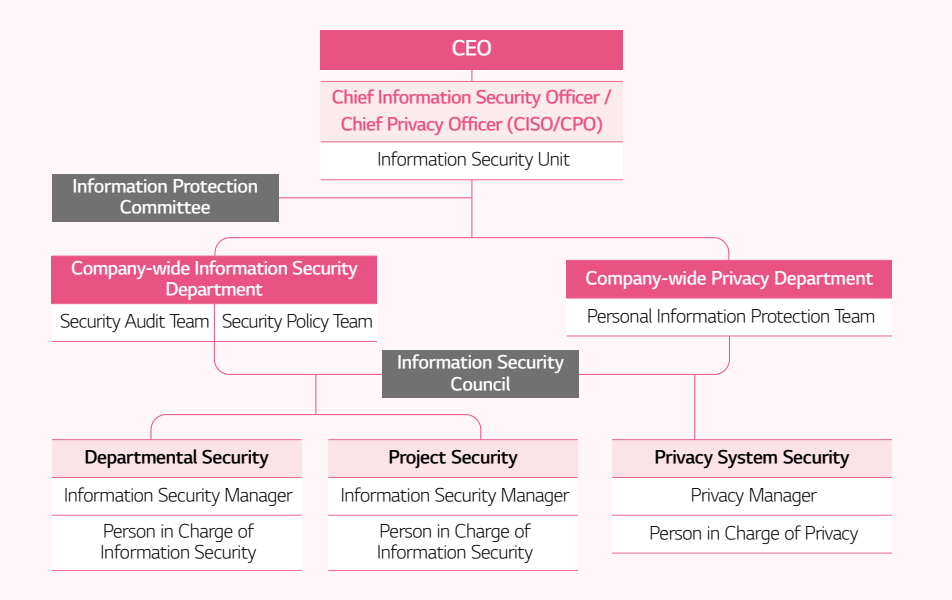
Information Security

Information Security Governance

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

In particular, departments that handle personal information designate a privacy manager and a person in charge of privacy to protect personal information, and hold regular meetings with key internal and external service security managers to discuss security policies, response measures, and work progress.

To strengthen the company's expertise and independence in the area of information security, LG CNS operates the Security Office directly under the CEO, which is divided into three sub-organizations : the Security Audit Team, the Security Policy Team and the Personal Information Protection Team. We hold an Information Protection Committee and Information Security Council meeting at least once per year, or whenever important security decisions need to be made or company-wide security measures discussed.



Personal Information Protection System

LG CNS recognizes the importance of personal information, and is making an ongoing effort to protect it. To ensure that personal information is handled securely, we perform a privacy impact assessment before introducing a personal information processing system. Additionally, we perform an annual inspection of internal management plans for personal information, provide training to employees handling personal information, and inspect the management status of personal information consignee. We operate a specialized system that monitors the current status of personal information management, and regularly review the management status to identify and address vulnerabilities. Also, we strive to raise employee awareness of the importance of preventing personal information leaks through frequent mock drills.

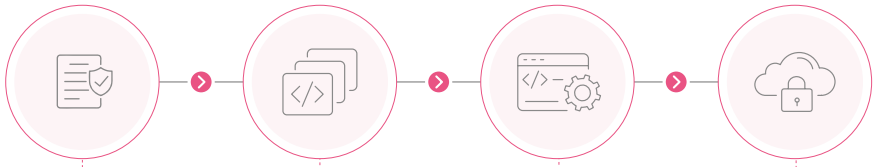
Key Security Activities for Each Stage of The Personal Information Processing System Life Cycle

Introduction	Operation	Termination
Domestic and international compliance checks of privacy impact assessment	Inspection of internal personal information management plans and the status of the personal information consignee	Inspection of personal information disposal
• **Establishment of a personal information management system** - Collect minimum personal information - Restrict the collection of uniquely identifying information and sensitive information - Establish privacy policy to comply with laws and regulations and protect the information subjects' rights • **Measures to ensure the security of personal information** - Encrypt personal information during transmission - Identify personal information to be encrypted, and encrypt it - Log personal information access records	• **Inspection of internal personal information management plans** - Appoint a privacy manager and a person in charge of privacy - Manage personal information handlers - Control access and grant minimum access authorization • **Inspection of the status of personal information consignee** - Establish an internal management plan for personal information - Conduct personal information protection training - Protect the PCs used by personal information handlers - Establish procedures for responding to personal information leakage	• **Disposal of personal information** - Digital files : Permanently delete using a method that makes their restoration impossible - Records, printed materials, written documents, and other recording media : Shred or incinerate • **Confirm the final termination of the personal information processing system**

Information Security

Security Inspection System

LG CNS derives security requirements from the planning stage to strengthen the security of its solutions and services. During the implementation stage, security quality control activities are performed, and prior to launch, security reviews are conducted to ensure that the derived security requirements have been properly implemented. In addition, security vulnerability checks are performed on an ongoing basis during the operation stage. LG CNS continuously manages security by establishing and operating these security inspection systems.



Planning	Implementation	Launch	Operation
Security review at investment stage	Security quality activities	Security reviews at opening stage	Ongoing security vulnerability checks
Identify security inspection targets	Implement security requirements	Verify the result of security requirements implementation	Penetration testing (web, mobile, etc.)
Derive security requirements	Check source code Check open source	Establish action plan for improvement and verify the result	Check infrastructure (server, WEB/WAS, DBMS, etc.)
Guide security inspection items	Check API vulnerability		Check cloud
	Penetration testing (web, mobile, etc.)		Check the status of internal management plan for personal information
	Check infrastructure (server, WEB/WAS, DBMS, etc.)		(In the event of service changes) Check source code Check open source Check API vulnerability Perform privacy impact assessment Check AI service security
	Check cloud		
	Perform privacy impact assessment		
	Domestic and international compliance checks		
	Check AI service security		

Response to International Personal Information Security Regulations

International regulations on information security and personal information protection are being strengthened with the introduction of the EU (European Union) GDPR (General Data Protection Regulation), China's Network Security Law and Vietnam's Personal Information Protection Law. In response, LG CNS is working in collaboration with overseas subsidiaries to ensure the safety of its overseas operations. We are thoroughly reviewing and deploying countermeasures in key areas to mitigate the adverse effects of these regulations.

In addition, the information security organization at the headquarters operates a security compliance management system covering the entire cycle from the establishment to the operation and liquidation of overseas subsidiaries. We collaborate closely with overseas subsidiaries to meet overseas security requirements, identify potential threats in advance, and establish protective measures.

Operation of overseas security regulation management system

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

Information Security

Goal

Information Security Management Goal

LG CNS, a leading IT company, is proactively filling the gaps in our security and strengthening our response system to new and increasingly sophisticated hacking attacks. In doing so, we are working toward our ultimate goal of "zero security incident."

Based on a security strategy of "Zero Trust," we are implementing single sign-on (SSO)[1] and multi-factor authentication (MFA)[2] for thorough security authentication management. To strengthen security for our overseas operations, we have established SASE[3]. We grant limited access permissions based on a secure security authentication management framework. To continuously detect vulnerabilities and anomalies, we have developed an information leakage monitoring solution that utilizes our proprietary AI security solution, SecuXper AI. We also introduced a personal information access log management solution to continuously improve our security environment.

LG CNS is implementing a Zero Trust security paradigm to enable a proactive response to changes in the IT environment result from AX.

What is Zero Trust? (2010, John Kindervag)

Trust is a security vulnerability
▶ Nothing can be trusted!

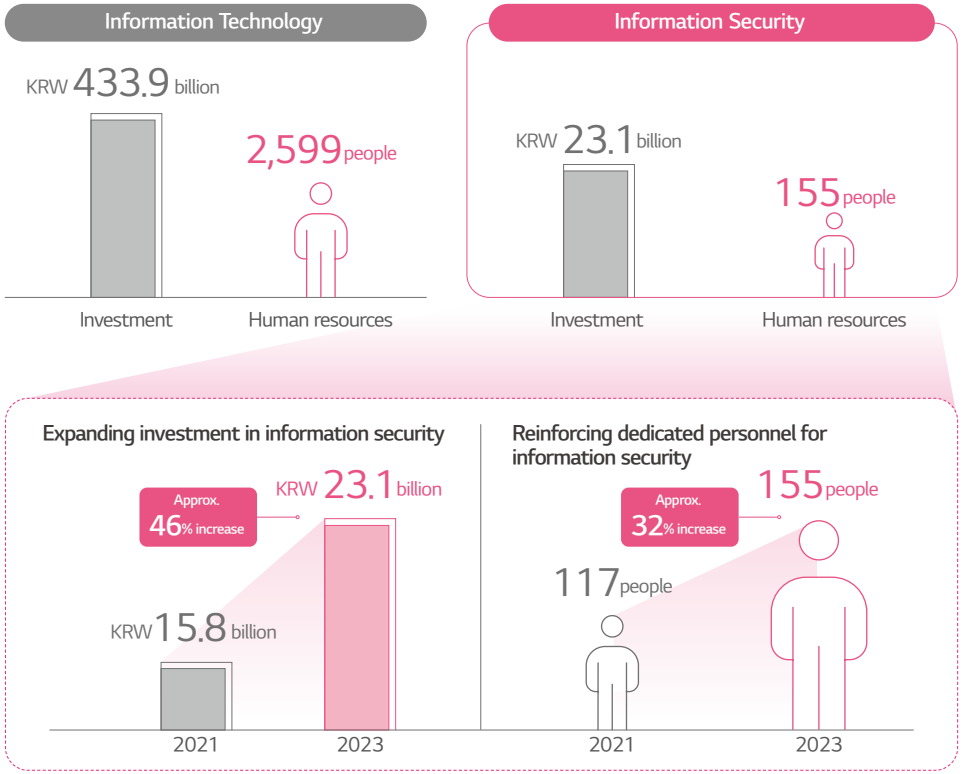
1. Thorough security authentication and management without exception (all users and devices)
2. Implementation of security policies that will minimize the scope of damage, such as limited access rights
3. Continuous detection of vulnerabilities and anomalies, enhancement, and improvement after authentication

1) SSO (Single Sign On) : A security application solution that allows users to log in to various corporate systems and services with a single login
2) MFA (Multi-Factor Authentication) : A security technology that uses multiple authentication factors for identity verification when users access services and systems
3) SASE (Secure Access Service Edge) : A cloud security technology that combines network and security functions to quickly and efficiently respond to security issues in mobile, remote working, and cloud environments at the service edge
4) Data of 2023 was disclosed in June 2024
5) EDR (Endpoint Detection and Response) : A solution that detects, analyzes and responds in real time to malicious activities taking place on endpoints to prevent the spread of damage

Disclosure of Information Security Activity

Since 2022, LG CNS has been transparently disclosing its information protection activities and investment status by posting the information protection status on the information protection disclosure website (isds.kisa.or.kr).

As disclosed in 2024[4], the investment in information protection amounted to about KRW 23.1 billion and the total number of employees dedicated to information protection was 155. We have carried out major activities such as AI anomaly monitoring enhancement, cloud security control enhancement, and the introduction of cloud resource EDR[5], and have continuously expanded our investment and increased the number of dedicated personnel since the initial disclosure in 2022.



※ The disclosure of the 2024 information security investment status is scheduled in June 2025 (isds.kisa.or.kr)

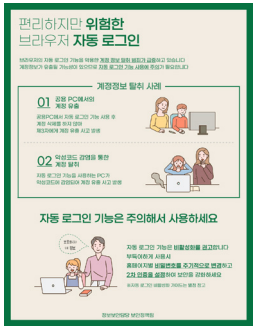
Information Security

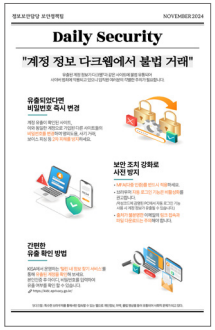
Activity & Performance

Activities for Enhancing Information Security Awareness

LG CNS engages in a range of activities to raise the security awareness of our employees. Employees must sign a security pledge once a year, and receive mandatory information security and personal information protection education. We regularly post materials that reinforce security awareness, in card format on our company bulletin board, and operate a website that explains complex internal security policies in an easy-to-understand manner. We also strive to strengthen the security awareness of our employees by regularly distributing personal information protection and security compliance letters and having them undergo malicious email simulation training.
In addition, we conduct information security training for our suppliers to enhance security at project sites.

Announcement of LG CNS security policy website





Posters to increase information security awareness

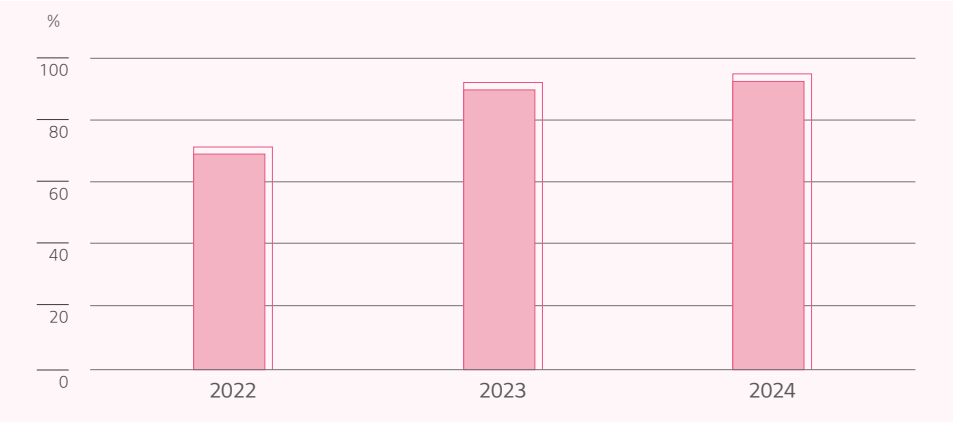
Program	Description	Target
Personal information protection education	Precautions in protecting personal information for personal information handlers/persons in charge/managers	Personal information handlers/persons in charge/managers
Basic education on information security	Quiz-style training on the company's security policies and precautions to be observed during work	All employees including suppliers and overseas subsidiaries
Security training for developers	Security compliance to develop a system without vulnerabilities	Project team members
Security training for suppliers	Information protection precautions to be observed by suppliers	Employees of suppliers

Malicious Email Simulation Training

All LG CNS employees regularly undergo malicious email simulation training to help avoid the malware infections caused by malicious emails and raise awareness. Based on the training results, we reward employees who detect malware quickly, encouraging continuous improvement in employee participation and security awareness.

Awareness-raising activities through simulation training

Simulation training results – Security awareness level indicator



※ Security awareness level indicator : percentage of personnel who recognized security threats in training situations and responded appropriately

Information Security

Key Information Security Activities

LG CNS has established an information security management system to protect our information assets from security threats, and conducts regular activities to inspect and improve the system.

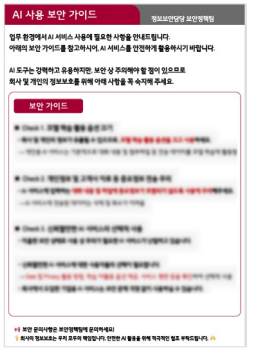
As an AX specialist, LG CNS provides reliable services to clients by establishing security measures from the initial stages of implementing/introducing AI services and applying them to the operating environment. In addition, we distribute a security guideline that employees must follow when using AI to help maintain a safe AI work environment. Moreover, to clarify security responsibilities and obligations related to AI usage, we conduct various security awareness activities, such as collecting AI usage information security pledges from all employees, to establish a culture of safe AI utilization.

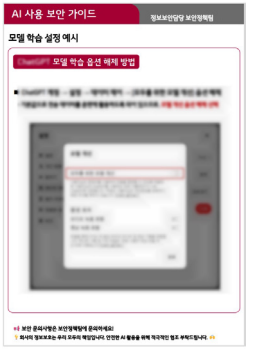
Security Area	Key Activities
Establishment and Management of Information Security Policy	• Establish and manage company-wide information security policies and guidelines • Respond to information security-related laws and regulations • Revise and publish regulations at least once a year
Personnel Security	• Conduct security training and awareness activities at least once a year and carry out ongoing security awareness activities • Promote company-wide security activities • Newly-hired employees and employees who are leaving the company must sign a Security Pledge and undergo a security check • Manage the security of supplier employees when joining a project
Outsider Management	• Specify compliance with personal information protection when contracting with suppliers • Regularly monitor and audit on personal information consignees
Security Checks	• Conduct regular and ad hoc audits of administrative, physical and technical protective measures • Operate and check the personal information management system for compliance with personal information protection • Check system vulnerability and penetration testing
Response to Information Security Incidents	• Establish information security incident response procedures and conduct simulation training at least once a year
Physical Security	• Enforce access control according to the security importance of each site

Key Security Measures for AI-powered Services

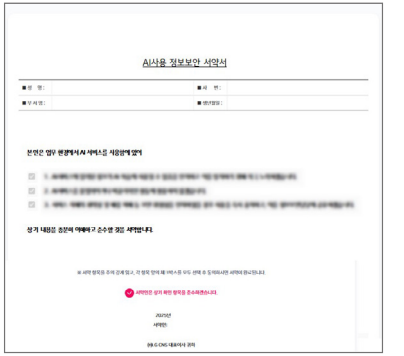
Security Area	Key Security Measures
User Security (Preventing information leaks)	• Use only authorized AI services at work • Conduct regular awareness activities and trainings • Monitor the status of new AI services and distribute usage guidelines throughout the company
System Security (Responding to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

Security Guide for Using AI





Information Security Pledge for Using AI

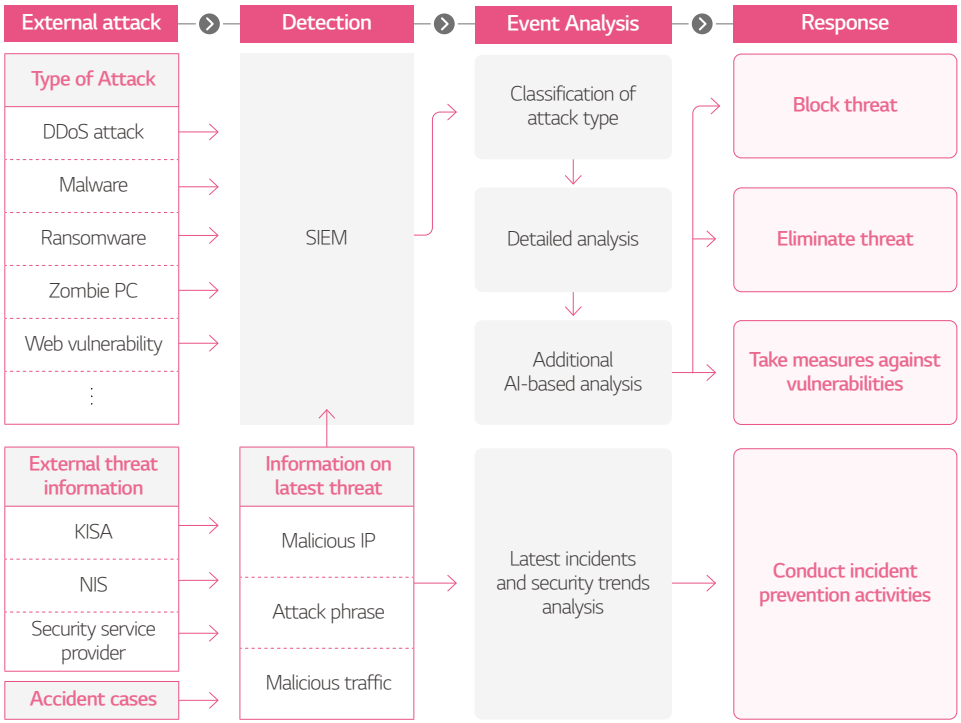


Information Security

Activities to Prevent External Attacks

With the recent increase in threats to industrial facilities and external attacks for personal information leak, LG CNS is constantly carrying out preventive activities to prepare for more intelligent external attacks like hacking and distribution of malicious codes. To prevent the spread of damage, we are operating the Security Information and Event Management (SIEM) service, which detects and promptly responds to intrusion threats. In addition, we strive to create a safe working environment by introducing solutions to block malware and ransomware delivered through e-mail.

Security Information and Event Management (SIEM)



Internal and External Certification Status

LG CNS has established and operates technological and physical information security systems to protect our critical information assets from growing security threats. In recognition of our efforts, LG CNS obtained the ISO 27001 certification in 2013 from the ISO[1], and has maintained it ever since. In addition, we have obtained and maintain domestic certifications, including ISMS[2] and ISMS-P.[3] In 2024, we received the highest-possible grade of S (100 points) in the information protection assessment[4], proving the excellence of our personal credit information management system.

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

LG CNS external service and IDC operation

LG CNS B2C service operation (ISMS-P)

LG CNS B2B service operation

SINGLEX service operation

Information Security Management System Certification (ISO 27001)

Sangam IT Center

Busan Data Center

Gasan Data Center

Hanam Data Center

PCI-DSS

Electronic financial service

1) ISO : International Organization for Standardization
2) ISMS : Information Security Management System
3) ISMS-P : Personal Information & Information Security Management System
4) Information protection assessment : A system in which companies submit their self-assessments of the management and protection of personal credit information to the Financial Services Commission for evaluation

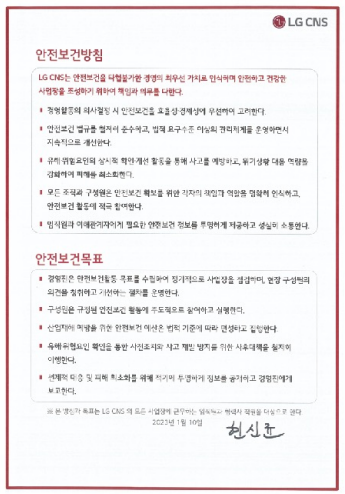
Safety and Health

Policy

Safety and Health Management Policy

LG CNS recognizes safety and health as an uncompromising top priority for business management, and has established and implemented safety and health policies and goals to ensure that all employees can work in a safe and healthy environment.
Our top management demonstrate their commitment to safety and health by regularly communicating safety messages to every employee and team, while our employees clearly understand their roles and responsibilities and actively participate in safety and health activities. In addition, the 「2025 Safety and Health Plan」, which includes Safety and Health management policies, organizational structure, budget, and work plans, has been reported to and approved by the Board of Directors.

Safety and Health Policy


LG CNS

안전보건방침

LG CNS는 안전보건을 타협불가한 경영의 최우선 가치로 인식하며 안전하고 건강한 사업장을 조성하기 위하여 책임과 역할을 다합니다.

- 정책결정에 의사결정 시 안전보건을 최고 상위개념에 우선하여 고려한다.
- 안전보건 법규를 철저히 준수하고, 법적 요구수준 이상의 관리체계를 운영하면서 지속적으로 개선한다.
- 유해·위험요인의 상시적 확인·개선 활동을 통해 사고를 예방하고, 위기상황 대응 역량을 강화하여 피해를 최소화한다.
- 모든 조직과 구성원은 안전보건 확보를 위한 각자의 책임과 의무를 명확히 인식하고, 안전보건 활동에 적극 참여한다.
- 임직원과 이해관계자에게 필요한 안전보건 정보를 투명하게 제공하고 상호 소통한다.

안전보건목표

- 경영진은 안전보건활동 목표를 수립하여 정기적으로 사업장을 점검하며, 업장 구성원의 의견을 청취하고 기선하는 절차를 운영한다.
- 구성원은 구성원 안전보건 활동에 주도적으로 참여하고 실행한다.
- 산업재해 예방을 위한 안전보건 예산은 법적 기준에 따라 편성하고 집행한다.
- 유해위험요인 확인을 통한 사전조치와 사고 재발 방지를 위한 시후대책을 철저히 이행한다.
- 산업재해 통계 및 피해 최소화를 위해 정기적 투명하게 정보를 공개하고 경영진에게 보고한다.

※ 본 방침가 목표는 LG CNS 의 모든 사업장에 관련하는 임직원으로 해당사 적용을 다음과 같다

2022년 1월 10일

천신한

Safety and Health Policy

LG CNS recognizes safety and health as non-negotiable priorities in business management, and is committed to fulfilling its responsibility and obligation to create a safe and healthy workplace.

- When making decisions related to business activities, safety and health are prioritized over efficiency and profitability.
- We strictly comply with all safety and health regulations, and maintain and continuously improve a management system that exceed legal requirements.
- We conduct ongoing activities to identify and address hazardous and risky factors to prevent accidents, and strengthen our crisis response capabilities to minimize damage.
- All organizations and members clearly recognize their responsibilities and roles in ensuring safety and health, and actively participate in relevant activities.
- We transparently provide necessary safety and health information to employees and stakeholders, and communicate sincerely.

Safety and Health Goals

- The management establishes goals for safety and health activities, conducts regular inspections of business sites, and operates a procedure to listen to the opinions of employees for improvement.
- Employees actively participate in and implement designated safety and health activities.
- Safety and health budgets are allocated and executed to prevent accidents, in accordance with legal standards.
- We implement preventive measures to identify hazardous and risky factors, and rigorously enforce post-incident measures to prevent recurrence.
- We disclose information transparently and in a timely manner to respond proactively and minimize damage, and report to the management.

Safety and Health Management System

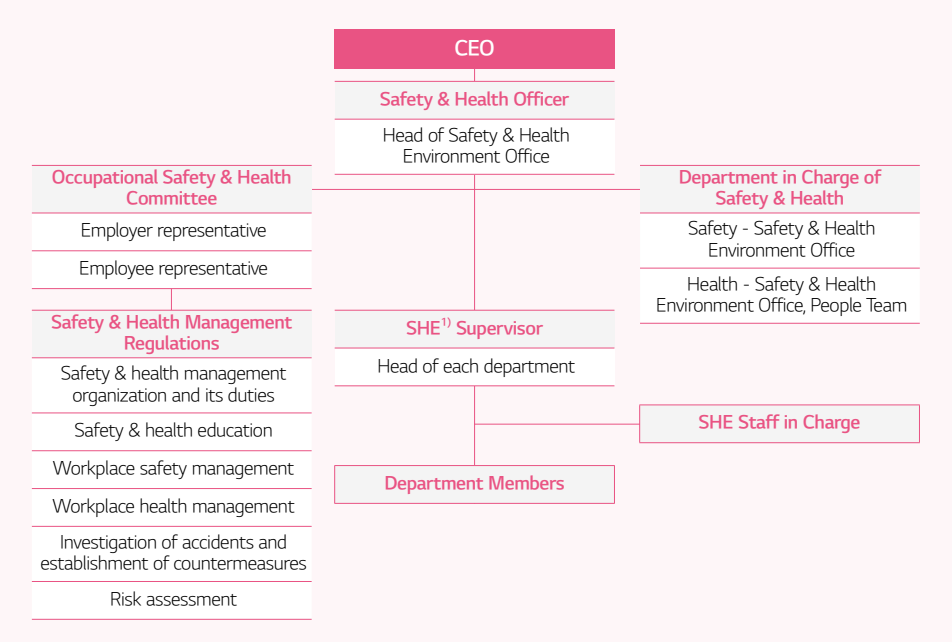
LG CNS operates a safety and health management system for each data center and project, centering on a dedicated Safety & Health Environment Office, which is responsible for company-wide safety and health management. Based on the Safety & Health Management Regulation, we appoint safety & health officers for each business site, listen to the opinions of employees through the Occupational Safety and Health Committee and Labor-Management Council, and implement improvement activities accordingly.
LG CNS obtained ISO 45001 Safety and Health Management System certification for the first time in 2019. The certification covers all of the company's domestic business sites, including its headquarters, data centers, and construction projects. A total of 6,800 employees (98% of the total) work in accordance with the Safety and Health Management System. We conduct internal and external audits across the entire organization every year to maintain the Safety and Health Management System.

ISO 45001 Certificate

Certificate KR19/81826150
The management system of
LG CNS Co., Ltd.
SGS
ISO 45001:2018
L. Moran
IAF

Safety and Health

Company-wide Safety and Health Governance



Safety and Health Management by Business Site

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

Safety and Health Risk Management System

LG CNS operates a safety inspection system for construction projects with a high risk of accidents. Safety inspections are conducted at the time of order receipt and project initiation, followed by high-risk work inspections, semi-annual compliance inspections, and special inspections, which are conducted in a manner tailored to each site. To reflect the requirements of the Serious Accidents Punishment Act, which has been expanded to apply to all construction sites regardless of project scale, we have reorganized the implementation framework for construction projects with budgets under KRW 5 billion. For projects valued at KRW 2 billion or more but less than KRW 5 billion, we have expanded on-site implementation inspections led by the Safety & Health Environment Office. For small-scale projects valued at less than KRW 2 billion, we operate an implementation system centered on online inspections that reflects the core provisions of the Act and the specific conditions of the construction projects.
In addition, LG CNS conducts ongoing safety and health qualification assessments at each stage of the purchasing process (registration, selection (contract), and termination) for construction equipment and IT suppliers that do business with us. Furthermore, we perform annual regular assessments of our suppliers to evaluate their safety and health management capabilities (qualified/unqualified) to ensure that they are qualified to collaborate with us.

1) SHE : Safety Health and Environment
2) C/P (Critical Path) : Seven types of work with a high risk of serious accidents (work at height, hot work, work operating construction equipment, architecture/civil engineering, work in electricity, work in confined space, trial run) are designated as high-risk work and subject to management

Safety and Health

Activity & Performance

Reducing Hazardous Factors at Business Sites

LG CNS proactively undertakes various activities including risk assessments and on-site inspections to identify hazardous factors that may arise at work and during operations, and reduce exposure to such risks. We perform initial, regular (annual) and ad hoc (twice a month) assessments, which go through the following process : ① Preparation, ② Identification of hazardous and risky factors, ③ Risk determination, ④ Development and implementation of risk reduction measures, ⑤ Sharing of risk assessment results, and ⑥ Record-keeping and preservation of records. In addition, we conduct risk assessments using a checklist method for office workers and a high/medium/low risk determination method for construction projects, reflecting the characteristics of business sites. In 2024, LG CNS completed improvement measures for a total of 217 non-conformities identified through 125 safety inspections, which included refurbishing aging forklifts and implementing measures to prevent the removal of safety pins from fire extinguishers. Additionally, for overseas construction projects, we have developed and distributed an overseas construction safety management implementation guide based on the domestic safety management system, and regularly verify compliance with the guide. Furthermore, we have established a process to investigate accidents and establish countermeasures in the event of an accident. Based on the process, we ① perform emergency measures, ② report according to the reporting system, ③ investigate the cause of the accident, ④ establish and implement measures to prevent recurrence, and ⑤ manage records of industrial accidents. Through this process, we strive to minimize damage and prevent the recurrence of accidents.

Strengthening Safety and Health Support for Suppliers

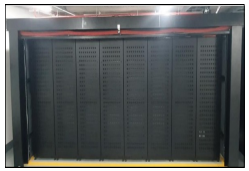
LG CNS invited representatives and executives (16 companies, 32 people) from major construction suppliers in November 2024 to support the establishment of a safety and health management system. We provided education on "Measures for Establishing a Safety and Health Management System for Suppliers in Response to the Serious Accidents Punishment Act" and "Revised Risk Assessment." Also, a consulting was conducted with an external institution to improve the safety and health guidelines for suppliers in order to help our suppliers smoothly implement LG CNS' safety and health standards.

Enhancing Data Center Safety Management and Fire Prevention

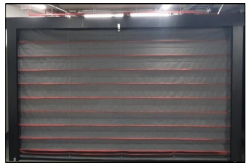
LG CNS is preventing serious accidents by applying digital twin technology to data centers. The technology enables the immediate identification of key power facilities that are difficult to recognize in blueprints, allowing for a quick response when issues arise. In addition, the technology can identify the movements of electrical facility room workers in real time, and controls workers by alerting them when they leave designated areas.

Digital twin technology was fully implemented at the Hanam Center in 2024, greatly helping new personnel to understand the equipment and improve their problem-solving skills. It is also being used for safety management during operations. This year, we are adding a feature that allows immediate identification of problems with critical equipment (UPS/batteries) at the Busan Center.

LG CNS has installed AI CCTV and very high-speed smoke detectors (VESDA)[1)] to prevent fires in data center battery rooms. We are also replacing batteries that have reached the end of their service life with fire-safety certified (UL95401A[2)]) batteries. In addition, we are installing fire spread prevention equipment to prevent fires from spreading, and have enabled initial fire control for batteries that have not yet reached the end of their service life.



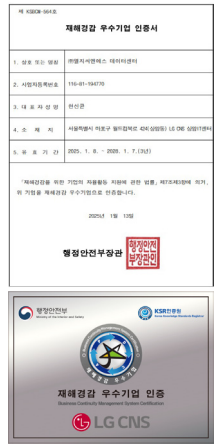
Fire spread prevention equipment (before operation)



Fire spread prevention equipment (after operation)

Receiving "Disaster Mitigation Excellence Certification"

In 2025, LG CNS obtained Disaster Mitigation Excellence Certification from the Ministry of the Interior and Safety for its four data centers (Sangam, Busan, Gasan and Hanam). The certification is awarded to companies that have been evaluated as having an outstanding Business Continuity Management System (BCMS) that ensures uninterrupted business operation in the event of a disaster or other crisis. LG CNS' data centers can recover core systems in the shortest possible time and minimize damage in the event of disasters. Notably, the data centers have been evaluated highly for their stable power supply capabilities, which are supported by uninterruptible power supply (UPS), redundant substations, and self-generating systems, as well as their disaster response capabilities, which utilize digital twins and AI CCTV technology to respond to fires, earthquakes, and other disasters.



Disaster Mitigation Excellence Certification

1) VESDA (Very Early Smoke Detection Apparatus) : A smoke detector that analyzes smoke particles in the air in a laser chamber and detects their components, with an excellent level of sensitivity that can detect even invisible smoke (1,000 times more sensitive than existing fire detectors)
2) Fire-safety certification (UL95401A) : A safety standard established by UL (Underwriters Laboratories), a US safety standards development organization. It specifies test methods for evaluating the fire and explosion risks associated with thermal runaway in Battery Energy Storage Systems (BESS)

Safety and Health

Listening to Opinions on Safety and Health Improvement

LG CNS operates a number of different safety and health communication channels for its employees and those of its suppliers. The headquarters and the Sangam IT Center hold quarterly Occupational Safety and Health Committee meetings to discuss key decisions related to improving safety and health at business sites, and to diligently implement and address any necessary improvements. We conduct semi-annual surveys targeting employees in charge of SHE to gather opinions on safety and health, and take action in the identified areas to achieve improvements. Also, we operate online channels through the safety and health opinion submission/reporting banner on the main page of the internal portal and the improvement request menu within the Safety and Health Environment System (SHE System) to enable employees to express their opinions.

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

In 2024, we held in-person meetings with the representatives and executives (16 companies, 32 people) of major suppliers to listen to their opinions and discuss various measures for improvement.

Improvement of Emergency Response Capabilities

LG CNS is strengthening its emergency response capabilities by holding emergency response training sessions in the first and second halves of the year. We conducted mock drills to inspect emergency contact lists at the team level across the company, as well as internal mock drills tailored to the characteristics of data centers and construction projects. Notably, in October 2024 we conducted a real-life evacuation drill simulating a fire situation through a public-private cooperation project (joined by local agencies including district offices, fire departments, and police stations), along with the Safe Korea Exercise. Since 2022, we have been holding company-wide CPR training that follows the government's severe disaster reduction roadmap, and have continuously increased the number of trainees each year. In-house professionals in the Safety & Health Environment Office with CPR instructor certification and nurses provide the training to all employees, both regular and ad-hoc training (for external projects). We aim to ensure that more than 50% of our employees are capable of performing CPR by 2025; as of 2024, 1,142 employees (cumulative total of 2,304) have completed CPR training. Through various CPR training programs, including new employee training, VR CPR training, and on-site training, we strive to ensure that all employees can respond calmly and effectively in an emergency situation.

In addition, we provide safety and health education that is tailored to each business site's specific characteristics to ensure compliance with legal requirements. For construction projects, we implement and manage job-specific training (for managers, safety managers, etc.), regular training (for management supervisors, workers, etc.), and special training (for hazardous tasks, etc.) at the respective site. Although the headquarter is exempt from mandatory safety and health education, we provide new hires with eight hours of online training through a specialized external institution to enhance their safety awareness. In 2024, 564 new hires completed the training.

Enhancing and Managing Employees' Health

LG CNS carries out regular health checkups to protect the health of its employees, and provides company-wide health management services for employees with abnormal test results. Focusing on the prevention and management of cardiovascular diseases (such as stroke and heart attack), we adjust the comprehensive health checkup items annually. We offer guidance on comprehensive health checkup item selection for employees who find it difficult to select items. For high-risk groups, we offer personalized management, from designing health checkup items that can detect diseases early to managing results.

In 2024, we invited a cardiologist to host an online lecture called "Checking Facts of Vascular Health," during which employees could ask questions live. In 2025, we continue to promote employee health through various activities, such as providing stretching instructions on elevator screens, around the workplace, and in rest areas so that employees remember to stretch during their work breaks.

Poster for introducing how to stretch

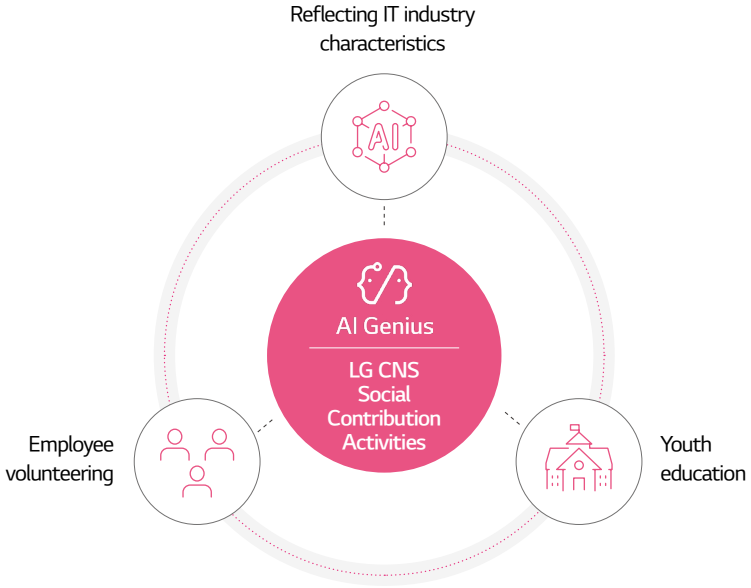
Social Contribution

Policy

Social Contribution Policy

LG CNS is expanding its AX (AI Transformation) social contribution activities based on its IT capabilities. By selecting and focusing on the target of our support, we provide customized programs tailored to their needs and maximize our effectiveness through partnerships with the government and professional institutions. In addition, rather than one-time monetary donations we are focusing on long-term social contribution activities with three directions : leveraging the characteristics of the IT industry, volunteering of LG CNS employees, and youth education activities. Through these efforts, LG CNS contributes to developing future talent by leveraging its AX capabilities and AI technology, thereby fulfilling its corporate social responsibility and contributing to the growth of local communities.

Three Directions of Social Contribution



Goal

Key Objectives of Social Contribution

LG CNS is running "AI Genius" and "AI Genius Academy" programs to help youths grow into future IT talents by leveraging its AX technology capabilities.

AI Genius & AI Genius Academy Status (accumulated figures as of 2024)

Participated schools
301 schools

Employees volunteered for teaching
347 people

Participated students
23,043 people

Results and 2025 Goal

	Category	Unit	2022	2023	2024	2025 Goal
AI Genius	Number of beneficiary schools	School	35	38	29	30
	Number of beneficiary students	Person	3,153	2,916	2,680	2,620
	Number of volunteered employees	Person	52	49	53	55
AI Genius Academy	Number of beneficiary schools	School	30	28	22	30
	Number of beneficiary students	Person	348	482	298	380
Total	Number of beneficiary schools	School	65	66	51	60
	Number of beneficiary students	Person	3,501	3,398	2,978	3,000

Social Contribution

Activity & Performance

AI Genius

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

AI Genius

Strengthening Contributions to Communities

LG CNS is strengthening its social contribution activities in the communities where its business sites are located. In 2024, we provided educational programs to approximately 220 first-year middle school students near the Hanam Data Center, and in 2025, plan to offer education in the Jukjeon area, where a new data center is set to open.

Education for Schools for Students with Disabilities

LG CNS runs a program for students with disabilities who are marginalized in software education. Our education program allows students to create their own stories using generative AI, experience AI self-driving cars, and engage in AI art experiences. LG CNS is continuously working to bridge the software education gap between students who have the opportunity to learn and those who do not.

Education for Schools in Rural Areas

To provide IT education opportunities to more students, LG CNS conducts AI education at schools in remote, rural areas. In 2024, we visited schools in rural areas such as Changnyeong, Gyeongsangnam-do, Inje, Gangwon-do, and Mungyeong, Gyeongsangbuk-do to provide educational programs. In 2025, we plan to provide education in Hwasun, Jeollanam-do, and Chungju, Chungcheongbuk-do.

Education for schools in rural areas

LG CNS AX Experts' Volunteering

LG CNS employees participate in volunteer teaching and mentoring to help students explore their career paths and plan for the future. LG CNS experts who are working at the forefront of AX business such as AI, big data, and cloud computing serve as AI Genius program instructors to provide high-quality education to students. In addition, we have introduced a paid vacation system to support employees' volunteering.

LG CNS employee participating as an AI Genius instructors

Education for Employees with Disabilities

On April 18, 2025, LG CNS held a one-day AI education program for its subsidiary Haengbokmaru Co., Ltd., a standard workplace for employees with disabilities. The program provided theoretical and practical training in basic AI concepts, generative AI, and autonomous driving, enhancing participants' understanding of LG CNS and AI, and offering them the opportunity to experience AI technology firsthand.

Education for employees with disabilities

Social Contribution

AI Genius Academy

AI Genius Academy is an educational program for high school students to support future software and AI talents. Since 2021, LG CNS has selected students with ambition and talent in the fields of software and AI to provide differentiated new information technology education and mentoring, and has directly assisted them in designing their careers through AI robot creation projects that incorporate new information technologies.

AI Genius Academy

AI Open Class

This is the first course in the AI Genius Academy, where students are introduced to the fundamental principles and concepts of AI as they solve about 10 AI missions. The online content is free to high school students across the country who want to learn about AI, with mentors providing feedback as students solve the mission using videos and learning materials. Starting in 2025, we have established various customized AI courses, such as generative AI, Python, and physical computing. These courses allow students to choose the classes they want to take, helping them explore potential career paths and plan for the future.

Boot Camp

This is a preparatory stage for the Advanced AI Project. Students come together at LG Science Park, where the LG CNS' headquarter is located, to decide on a team project topic and set goals and plans. Through programs such as special lectures by LG CNS employees and training in how to write project reports, students have the opportunity to share their career aspirations and learn together.

Advanced AI Projects

During the Advanced AI Project, students carry out various activities to complete their project. This process provides students with opportunities to grow and develop their skills by exposing them to a variety of problem situations.
To help students complete their projects, LG CNS provides software and AI education, hardware production support, and expert mentoring, etc.

AI Challenge Day

AI Challenge Day is an event at which students share the results of their final projects from the AI Genius Academy and receive awards for exceptional work. The event provides students with opportunities to learn from failure and experience a sense of accomplishment throughout the process. Through AI Challenge Day, LG CNS is committed to helping students grow into future AI experts.

AI Challenge Day

Supply Chain Management

Policy

Supply Chain Management Policy

LG CNS operates a system for selecting, maintaining, and managing excellent suppliers based on fair and clear criteria. Each year, we select suppliers based on objective evaluation criteria (transaction history, financial status, cooperation level, etc.) set forth in the regulations, and manage them through a four-level management system : strategic group, cooperation group, general group, and potential group. We provide financial, manpower, and technological support to our suppliers for their stable operation and growth. Accordingly, we sign fair trade agreements, participate in the Shared Growth Index evaluation, and operate an organization dedicated to cooperation with suppliers.

Subcontracting Management Policy

LG CNS strives to ensure fair transactions by complying with the Korea Fair Trade Commission's four practices for fair transactions in subcontracting, using the standard subcontract agreement, and complying with laws and regulations. By adhering to the Subcontracting Act, we keep all subcontracting transactions fair and transparent and foster a mutually beneficial cooperative relationship as a large corporation with small and medium-sized enterprises. We regularly monitor our compliance with the Subcontracting Act and ensure that improvements are implemented according to the monitoring results. We also provide subcontracting training to all employees.

Compliance with Four Practices for Fair Transactions in Subcontracting

In accordance with the Korea Fair Trade Commission's recommendations, LG CNS has incorporated the four key practices into its internal regulations to ensure compliance among all employees. We have also posted these practices on the suppliers' portal website, notified the relevant suppliers, and included them in contracts to actively promote fair trade practices.

Four Key Practices

1. Execution of appropriate contracts to promote a mutually beneficial cooperative relationship between large corporations and small and medium-sized enterprises
2. Fair selection (registration) of suppliers
3. Establishment and operation of an internal review committee for subcontracting
4. Proper issuance and retention of documents in subcontracting transactions

Goal

Key Supply Chain Management Goals

Through annual evaluations, LG CNS grants priority business opportunities to outstanding suppliers and supports their internal growth through various supporting activities. This leads to increased project success rates and expanded business opportunities. We aim to achieve long-term, solid growth, together with our suppliers.

Activity & Performance

Supply Chain ESG Management

LG CNS provides its suppliers with ESG self-assessment checklists and encourages them to conduct self-assessments. In addition, we offer ESG management and evaluation training to our major suppliers.

Management Scheme	Target	Description
Supply Chain ESG Training	20 suppliers (12 companies participated)	Training on understanding ESG management and evaluation
Supply Chain ESG Self-Assessment	105 suppliers (63 companies replied)	Environmental management, labor/human rights, employment and anti-discrimination, working environment, safety and health management, ethical management, etc.

Supply Chain Management

Support for New Hire Recruitment of Suppliers

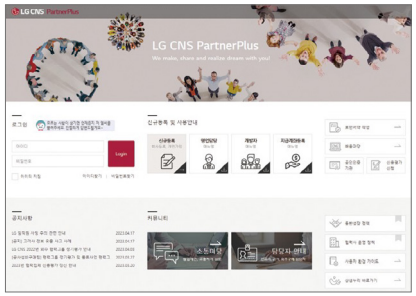
LG CNS helps small and medium-sized suppliers overcome one of their greatest challenges : securing software talent. To make it easier for job seekers to access information about our suppliers, we opened an online recruitment portal dedicated to LG CNS suppliers on a major domestic job search website. In 2024, 2,726 job openings of 39 suppliers, including regular and project positions, were posted, and a total of 31,218 applications applied. In addition, LG CNS operates the U-Camp Software Developer Program. Launched in 2006, the nine-week intensive software development training program targets prospective hires from suppliers. The outstanding talent cultivated through this program is hired by suppliers immediately upon their completion of the training. In 2024, 15 participants enrolled in the program, with 13 successfully completing it. A portion of the education costs were funded by government support through the "Win-Win Job Creation Program", amounting to KRW 63 million. Through the U-Camp Software Developer Program, a cumulative total of 39 classes have been held and more than 1,000 new employees have been employed by suppliers.

Competency Development Support

LG CNS has established the Supplier Learning Center, an online education portal that provides supplier employees with free IT training in AI, big data, and the cloud, as well as job-related training on personal information protection. In 2024, a total of 268 courses were offered, and 2,735 supplier employees completed the training.

Strengthening Communication with Suppliers

For active communication with our suppliers, LG CNS operates the "Partner Communication Forum" on the PartnerPlus web portal. Through this website, suppliers can freely propose business and consult about the difficulties and problems they encounter during collaboration, as well as request improvements to inconveniences such as contract procedures and payment.



Dedicated website for suppliers (PartnerPlus)

Technical Support and Protection

LG CNS actively provides technical support and engages in exchanges with suppliers through joint R&D. We are taking the lead in protecting the technologies of our suppliers through a fair trade portal, a trade secret original proof service, and non-disclosure agreements (NDAs).

Selected as "Best Honorable Company" in the Shared Growth Index Evaluation

Thanks to our activities to grow together with suppliers, LG CNS received the best rating in the evaluation for seven consecutive years, from 2017 to 2023. We were once again selected as a "Best Honorable Company" for maintaining the highest rating for five consecutive years or more. In addition, in December 2024 we received a commendation from the Korea Fair Trade Commission for establishing a fair trade system and promoting a culture of mutual cooperation through fair trade agreements.

Plaque for being the Best Honorable Company on the Shared Growth Index for 7 Consecutive Years

Commendation for Fair Trade Agreement

Management Support

LG CNS provides direct and indirect management support to its suppliers. To assist suppliers' employees working at the Magok LG Science Park in their commute, we offer them access to the free commuter buses and Magok shuttle buses that we provide to our own employees. As of 2024, suppliers' employees had used these services a total of 72,440 times. In addition, we operate an online shopping website for suppliers, where they can purchase LG products at discounted prices.

Supply Chain Management

Improvement of Financial Support and Payment Terms

Since 2010, LG CNS has maintained a financial institution fund to promote mutual growth with our suppliers. We have provided operating funds such as R&D expenses and new business investment funds to enhance their competitiveness. In 2024, through our KRW 17 billion direct financial support program, we provided interest-free loans totaling KRW 9.1 billion to 10 companies. Through the Shared Growth Fund, which has a budget of KRW 30 billion, we provided loans totaling KRW 22.3 billion to 43 companies. In addition, LG CNS applies four payment deadlines per month for subcontractor payments and ensures full cash payment within 15 days of examination.

Direct Financing	• LG CNS self-created fund • KRW 17 billion in interest-free loans • Extended loans totaling KRW 9.1 billion to 10 companies
Shared Growth Fund	• Fund created jointly with a financial institution (IBK) based on LG CNS deposits • Interest rate reduction, KRW 30 billion in fund size • Extended loans totaling KRW 22.3 billion to 43 companies
Network Loan	• Low-interest financial loans based on transaction records with LG CNS

Direct Financial Support Loan Amount

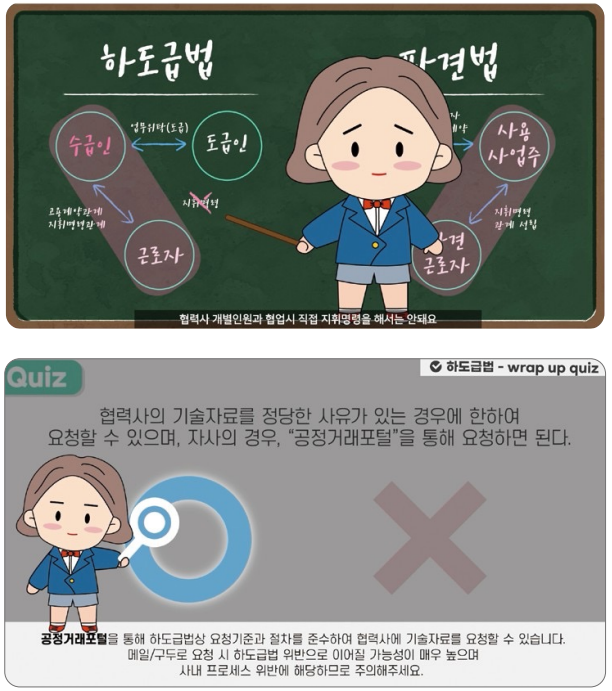
KRW 17 billion

Shared Growth Fund Size

KRW 30 billion

Subcontracting Training

LG CNS provides subcontracting-related training to all employees on issues in subcontracting and the latest trends. We also conduct monitoring to prevent violations of laws related to fair trade, with the findings from monitoring used to improve business processes and systems to prevent and manage fair trade risks.



Subcontracting training - Smart Collaborative Way

Quality Management

Policy

Quality Management Policy

For large-scale financial and public projects, proactive risk management and quality assurance are extremely important. LG CNS has established a quality management policy to practice quality management, and all employees perform their duties with the right perception of quality. We define quality value from three perspectives and have declared nine rules of action to ensure that we deliver the highest value to our clients, and we comply with these practices.

1 Purpose (Quality Management)

Lead the business innovation of our clients with the best IT services technology capabilities

3 Values (Quality Values)

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

9 Practices (Rules of Action)

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

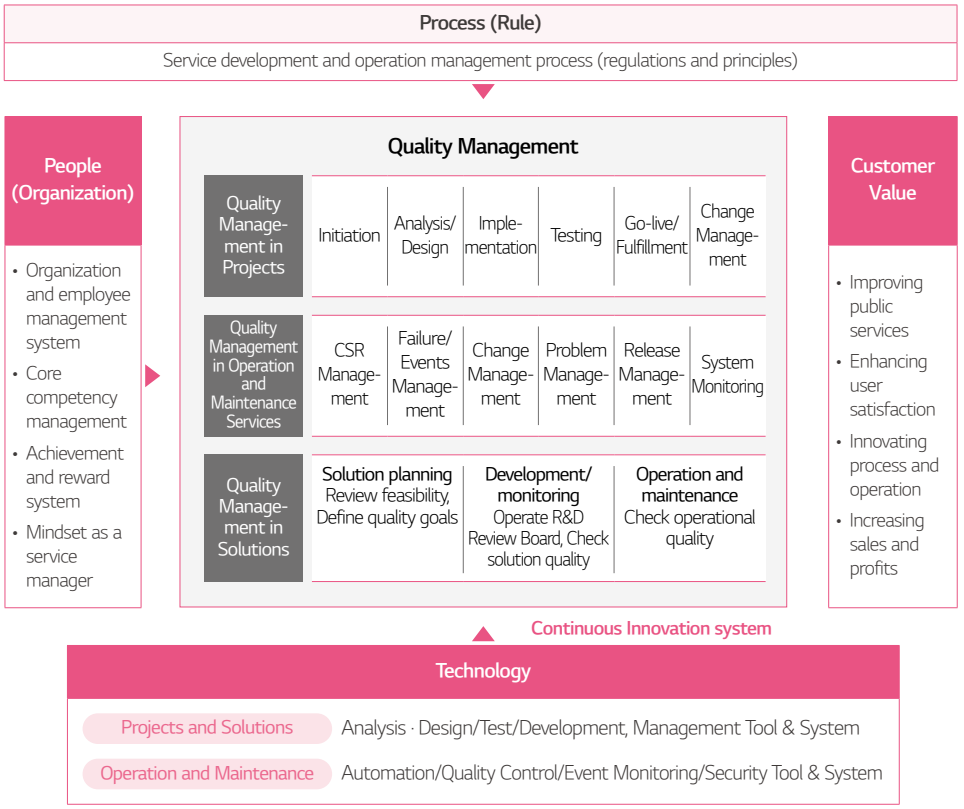
Policy Presentation

Category	Channel	Method
Internal employees	• Quality management-related training/notices • Internal standard documents • LG CNS standard methodology 'Way4U'	• On/Offline (when necessary/when it occurs) • Online (at any time)
External stakeholders	• Meetings, trainings	• On/Offline (when necessary/when it occurs)

Quality Management Operation System

LG CNS practices quality management by establishing an integrated quality management system that combines people, process, and technology for the quality management of "projects," "operation and maintenance services," and "solutions."

Integrated Quality Management System



Quality Management

Quality Management Governance

Organization	Key Roles
Quality Strategy Bureau (Process, People)	Establishment and assessment of quality governance, support for securing quality management qualifications and capabilities, and provision of education and training
Quality Delivery Bureau (Technology, People)	On-site quality implementation and inspection/improvement activities, expansion of automation tools and systems

Quality Management Process

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

Activity & Performance

Customer Satisfaction Management

As a Digital Business Innovator for our clients, LG CNS strives to enhance customer satisfaction by improving the quality of IT services in consideration of clients' pain points and by offering various services.
In 2024, we conducted a customer satisfaction survey regarding IT services that targeted a total of 64 corporate clients. The survey results showed a slight increase in satisfaction compared to the previous year. Clients were particularly satisfied with our technical and business expertise.
In addition to the survey, we listen to clients' feedback on an ongoing basis through a range of channels that includes our website, YouTube channel, and blog. We also operate an integrated "Voice of the Customer" management system to comprehensively analyze pain points and manage improvement progress.

Customer Satisfaction Status

Category	2022	2023	2024
Customer Satisfaction Index[1)]	75.5 points	75.8 points	82.2 points

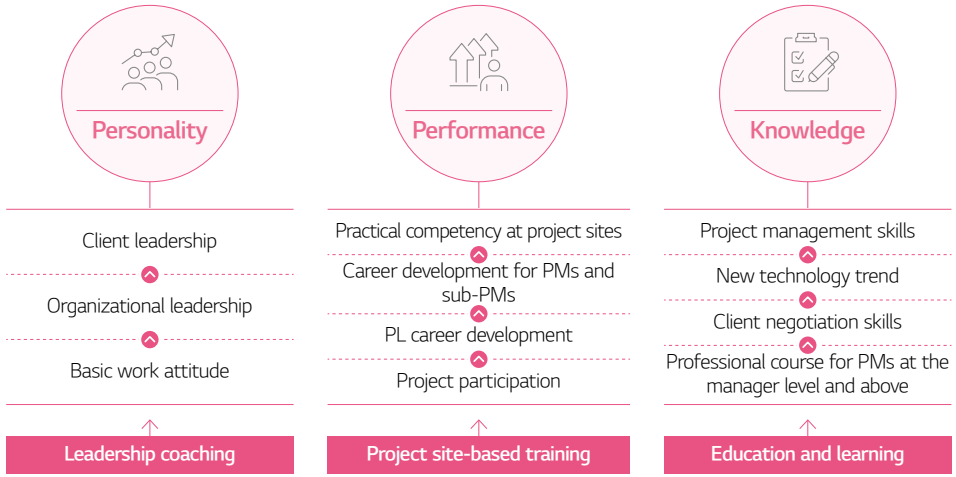
1) Customer satisfaction index scores are measured on a scale of 1 to 7 and converted to a score out of 100

Quality Management

PM Competency Enhancement

LG CNS values the DX competencies of project managers (PMs). To become DX partners for our clients, PMs receive training in project management methods developed through various case studies. LG CNS also operates a PM competency development system, a PM expert certification system, and a PM evaluation system to enhance PMs' competencies.

PM Competency Development Model



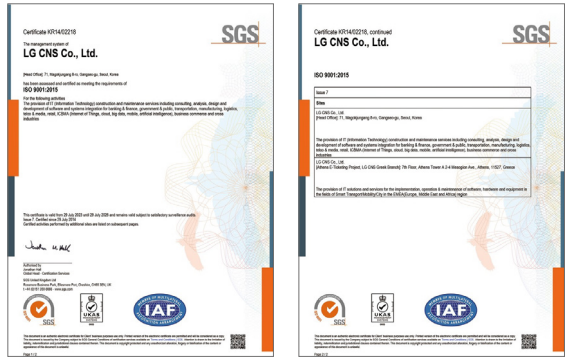
Education System for PM Development

Education	Content
General Project Management	Understanding PMs' roles and work procedures by scale and area, as well as developing PMs through practical exercises
Profit and Loss Management	Practical course on profit and loss management to understand the cost structure generated in projects, such as sales and operating income
Quality Management	Consulting with clients and establishing policies and procedures to ensure project quality, acquiring practical knowledge of key task quality
PM Leadership	Lectures on technology trends, communication, and leadership skills necessary for PMs, sharing project execution know-how, and discussions
ABC (DX Leadership)	DX leadership training in AI, Big Data and Cloud to lead DX

Quality Management Certification

LG CNS obtained ISO 9001 certification, an international standard, for all its business sites in July 1994, and has successfully completed follow-up audits and comprehensive re-certification every three years. Through the continuous improvement of our business processes, we have established a quality management system that enables all employees to achieve the best performance in their work.

ISO 9001 Certification



Quality Management System (ISO 9001) Certification Status

Headquarters (Magok, Korea)

Validity period : 2023 ~ 2026

Greek branch

Validity period : 2023 ~ 2026

Rate of certification through third-party institutions[1)]

100 %

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

89 Corporate Governance
92 Compliance
95 Risk and Crisis Management
98 Jeong-Do Management
100 Communication with Stakeholders

GOVERNANCE

Corporate Governance

Composition of the Board of Directors

The Board of Directors (BOD) of LG CNS is a decision-making body that makes decisions on important management matters and business operations of the company and supervises directors in the performance of their duties, in accordance with the Articles of Incorporation. In October 2024, LG CNS established the Audit Committee, the Internal Transaction Committee, the ESG Committee, and the Independent Director Candidate Recommendation Committee within the BOD to enhance the transparency and efficiency of our corporate management. In addition, four new independent directors were appointed, bringing the total number of BOD members to seven (one inside director, two other non-executive directors, and four independent directors). To further strengthen the independence of the BOD and expand its oversight and balancing functions, another newly appointed non-executive director was elected as BOD chairperson at the ordinary general meeting of shareholders (OGM) in March 2025, with the aim of achieving long-term and sustainable growth.

Category	BOD Composition 2025 Annual Meeting of Shareholders				
	Name	Gender	Credentials	Term	Remarks
Inside Director	Hyun, Shin Gyoon	Male	• (Current) CEO of LG CNS • Completed Ph.D. coursework in Statistics at the University of Wisconsin	3 years (until the 2026 OGM)	Representative Director
Other Non-executive Directors	Ha, Beom Jong	Male	• (Current) President & Head of Business Support Division, LG Corp	3 years (until the 2028 OGM)	BOD Chairperson
	Kim, Yong Hwan	Male	• (Current) Representative Director of Macquarie Korea Asset Management Co., Ltd. • Master in Finance, INSEAD	3 years (until the 2026 OGM)	
Independent Directors	Lee, In Moo	Male	• (Current) Professor of College of Business, KAIST • (Current) Independent director of GS Retail	3 years (until the 2027 OGM)	Chairperson of the Audit Committee
	Lee, Ho Young	Male	• (Current) Professor at School of Law, Hanyang University • (Former) Director for Litigation, Korea Fair Trade Commission	3 years (until the 2027 OGM)	Chairperson of the Internal Transaction Committee
	Lee, Sung Joo	Female	• (Current) Professor of Industrial Engineering, Seoul National University • (Former) Professor of Industrial Engineering, Ajou University	2 years (until the 2026 OGM)	Chairperson of the ESG Committee
	Chung, Hwan	Male	• (Current) Professor of Department of Statistics, Korea University • (Former) Associate Professor of Department of Statistics, Ewha Womans University	2 years (until the 2026 OGM)	Chairperson of the Independent Director Candidate Recommendation Committee

Appointment of Directors

LG CNS does not appoint inside directors through a separate committee, but nominates candidates following sufficient discussion at the BOD and appoints them by a vote at the shareholders' meeting. Independent directors are appointed by the shareholders' meeting after undergoing a rigorous screening process by the Independent Director Candidate Recommendation Committee to ensure their independence and expertise as independent directors and their suitability for performing their duties based on the relevant laws and regulations, including Article 382, Paragraph 3 and Article 542-8, Paragraph 2 of the Commercial Act, and the regulations of the Independent Director Candidate Recommendation Committee.

Ensuring the Expertise of the Board of Directors

LG CNS has composed its BOD of directors with expertise in diverse fields to enable the BOD to make strategic decisions from a comprehensive perspective.

Expertise	Hyun, Shin Gyoon	Ha, Beom Jong	Kim, Yong Hwan	Lee, In Moo	Lee, Ho Young	Lee, Sung Joo	Chung, Hwan
Finance		●	●	●			●
Global business	●	●	●				
Leadership	●	●	●	●	●	●	●
Crisis management	●	●	●	●	●		
Technology/ Industry	●			●	●	●	●

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

LG CNS has composed its BOD with a majority of independent directors to ensure its independence, and aims to foster the free exchange of opinions and independent decision-making in BOD meetings. In addition, to minimize potential conflicts of interest, we restrict transactions between directors and the company, and directors who have an interest in board resolutions are not allowed to exercise their voting rights.

Operation of the Board of Directors

LG CNS holds regular BOD meetings according to an annual schedule. The BOD deliberates and decides on matters stipulated by laws and regulations and the Articles of Incorporation, as well as important management issues related to economic, social, and environmental aspects. Where urgent matters require decision-making, an extraordinary BOD meeting is convened. The BOD is operated in accordance with transparent standards and procedures, and BOD resolutions require the presence of a majority of directors, as well as a majority vote from those present.

Corporate Governance

Activities of the Board of Directors

LG CNS held a total of eleven BOD meetings in 2024, approving 28 agenda items.

Category	Date of BOD meeting	Agenda	Approva Statusl	Attendance
1st OGM	Feb 6	Approval of the 37th annual financial statements and business report	Approved	100%
		Approval of amendment to the Internal Accounting Management Regulations	Approved	
2nd OGM	Feb 22	Approval of the 2024 occupational safety and health plan	Approved	100%
		Approval of the 2024 business plan	Approved	
		Approval of the convening of the 37th Ordinary General Meeting of Shareholders and the purpose of the meeting	Approved	
3rd OGM	Mar 22	Approval of director compensation payment	Approved	100%
		Report on the main activities and work plans of the compliance officer	Approved	
4th OGM	May 16	Approval of amendment to the executive officer performance incentive payment standard	Approved	100%
5th OGM	Aug 12	Promotion of listing on the Korea Composite Stock Price Index (KOSPI)	Approved	100%
		Approval of the convening of the Extraordinary General Meeting of Shareholders	Approved	
EGM	Sep 9	Approval of change in convening the Extraordinary General Meeting of Shareholders	Approved	100%
EGM	Sep 26	Approval of the establishment of and amendment to the regulation	Approved	100%
		Approval of the purpose of the Extraordinary General Meeting of Shareholders	Approved	
		Approval of compensation standards and execution of compensation for independent directors	Approved	
EGM	Oct 14	Approval of the establishment of the Audit Committee	Approved	100%
		Approval of the establishment of the Independent Director Candidate Recommendation Committee	Approved	
		Approval of the establishment of the Internal Transaction Committee	Approved	
		Approval of the establishment of the ESG Committee	Approved	
		Appointment of committee members within the BOD (Independent Director Candidate Recommendation Committee)	Approved	
		Appointment of committee members within the BOD (Internal Transaction Committee)	Approved	
		Appointment of committee members within the BOD (ESG Committee)	Approved	
6th OGM	Nov 7	Proceed with reporting items only (2024 Q3 financial results)	N/A	85.7%
7th OGM	Nov 21	Approval of setting the record date for dividend payment	Approved	85.7%
		Approval of the establishment of a branch in Kenya	Approved	
		Approval of self-transactions with affiliates	Approved	
		Approval of goods and services transactions with affiliates	Approved	
		Approval of personnel promotion of executive officer	Approved	
EGM	Dec 5	Appointment of a compliance officer	Approved	85.7%
		Approval of issuance of new shares and sale of existing shares for listing on the stock exchange	Approved	

Evaluation of the Board of Directors

To ensure fairness, overseen by the HR Department and the BOD Secretariat, LG CNS plans to conduct annual evaluations of independent directors based on their attendance at BOD meetings, and their contribution to the operation of internal control and monitoring mechanisms for the company's significant financial risks as audit committee members.

Operation of Committees within the Board of Directors

Audit Committee

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

Internal Transaction Committee

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

Independent Director Candidate Recommendation Committee

LG CNS has established and operates an Independent Director Candidate Recommendation Committee to recommend candidates for independent directors in accordance with the provisions of the Commercial Act and the Articles of Incorporation. To ensure the fair and independent appointment of independent directors and operation of the committee, the committee consists of three independent directors and two other non-executive directors, with independent directors constituting the majority of the total number of members, in accordance with the committee regulations.

Corporate Governance

ESG Committee

LG CNS is strengthening its ESG management in the areas of environment, society, and governance to achieve long-term and sustainable growth. In October 2024, we established the ESG Committee, the highest decision-making body for ESG. The committee establishes basic policies and strategies for ESG management to advance governance, strengthen social responsibility, and enhance shareholder value. It also reviews and approves agenda items related to the setting of mid to long-term goals and the implementation of management activities. The ESG Committee reports on overall issues, including significant issues, once in the first and second halves of each year (or whenever necessary); in 2025, the ESG Committee was held in March. The ESG Committee is composed entirely of independent directors and the representative director, and an independent director was appointed as the chairperson to ensure the independence of the committee.

Number of Meetings of Committees within the Board of Directors

Category	Unit	2024
Audit Committee	Time	3
Internal Transaction Committee	Time	2
Independent Director Candidate Recommendation Committee	Time	1
ESG Committee	Time	1

Shareholder Status

The total number of shares issued by LG CNS is 87,197,353 (as of December 31, 2024), and the largest shareholder is LG Corp., which holds 49.95% of the total shares. Other shareholders consist of Crystal Korea Co., Ltd. holding 35.00%, the employees' stock ownership association holding 0.79%, and minority shareholders holding 14.26%.[1)]

Category	Name of Shareholder	Number of Share Owned	Ratio (%)
Shareholders holding more than 5%	LG Corp.	43,557,218	49.95
	Crystal Korea Co., Ltd.	30,519,074	35.00
Other shareholders	Employee's Stock Ownership Association	689,356	0.79
	Minority Shareholders and Related Parties, etc.	12,431,705	14.26

As of December 31, 2024

1) On February 5, 2025, LG CNS went public and issued 9,688,595 new shares (common stock), increasing the total number of shares issued to 96,885,948

Compliance

Policy

Compliance Governance

Compliance Committee

LG CNS has established the Compliance Committee chaired by the CFO to effectively prevent compliance risks. The Committee consists of risk owners, key executives from the organizations of the risk owners, planning teams of business divisions, and overseas subsidiaries. The Committee meets quarterly to discuss risk prevention plans, review progress, and address current issues.

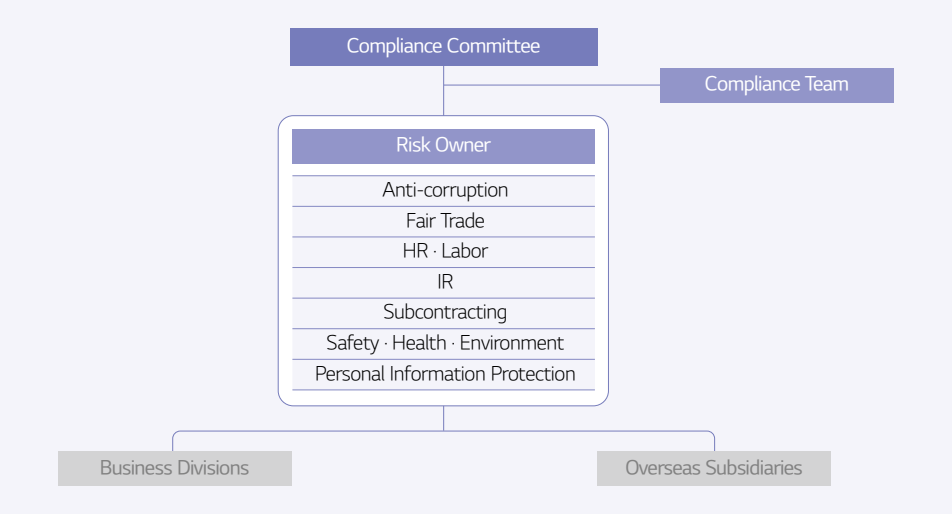
Compliance Team

The Compliance Team supports the operation of LG CNS' compliance programs by establishing compliance policies, operating the Compliance Committee, and conducting promotional activities.

Risk Owner

Risk owners who manage compliance risks establish risk prevention plans, conduct inspections, and implement improvement activities in the areas of anti-corruption, fair trade, HR and labor, IR, subcontracting, safety · health · environment, and personal information protection.

Compliance Management System



Compliance Program

The purpose of LG CNS' compliance program is to ensure that the company's compliance management philosophy is demonstrated in all aspects of its business operations. The Compliance Officer, who is appointed by the BOD, operates the compliance control system, including assessing legal risks, conducting compliance training, and performing compliance inspection, in accordance with the authority and responsibilities granted by the compliance control standards. The Compliance Officer also reports to the BOD on the results of evaluations conducted by external agencies regarding compliance with the compliance control standards and the effectiveness of the compliance control system. The Compliance Management Regulation outlines the responsibilities and obligations of the company and its employees for compliance management, and covers risk management areas, the roles of risk owners, and the composition and operational principles of the Compliance Committee.

Compliance Program Operation Process

Compliance Risk Management

LG CNS operates risk prevention programs that include continuous monitoring, preventive training, inspections, and consulting for management areas based on risk profiles that identify legal risks. In addition, we focus on managing key and core key risks with a high probability of occurrence and impact.

Compliance

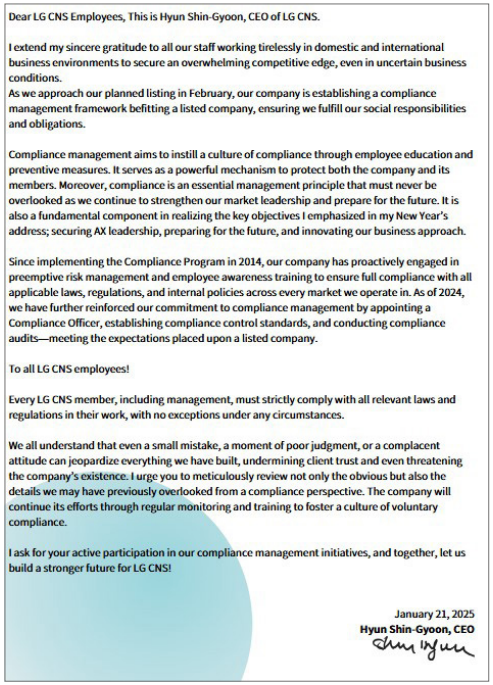
Goal

Key Goals of Compliance

In 2025, we plan to further strengthen our compliance control system by managing risks in the IR field, and by enhancing the legal risk assessment and management system, including through the establishment of risk profiles for major overseas subsidiaries, improvements in the efficiency of compliance inspections, and strengthened compliance education programs.

CEO's Commitment

LG CNS implements compliance management practices to fulfill its corporate social responsibilities and obligations, and declares its commitment to compliance management through the CEO's Commitment, both internally and externally.



Dear LG CNS Employees, This is Hyun Shin-Gyoon, CEO of LG CNS.

I extend my sincere gratitude to all our staff working tirelessly in domestic and international business environments to secure an overwhelming competitive edge, even in uncertain business conditions.
As we approach our planned listing in February, our company is establishing a compliance management framework befitting a listed company, ensuring we fulfill our social responsibilities and obligations.

Compliance management aims to instill a culture of compliance through employee education and preventive measures. It serves as a powerful mechanism to protect both the company and its members. Moreover, compliance is an essential management principle that must never be overlooked as we continue to strengthen our market leadership and prepare for the future. It is also a fundamental component in realizing the key objectives I emphasized in my New Year's address; securing AX leadership, preparing for the future, and innovating our business approach.

Since implementing the Compliance Program in 2014, our company has proactively engaged in preemptive risk management and employee awareness training to ensure full compliance with all applicable laws, regulations, and internal policies across every market we operate in. As of 2024, we have further reinforced our commitment to compliance management by appointing a Compliance Officer, establishing compliance control standards, and conducting compliance audits—meeting the expectations placed upon a listed company.

To all LG CNS employees!

Every LG CNS member, including management, must strictly comply with all relevant laws and regulations in their work, with no exceptions under any circumstances.

We all understand that even a small mistake, a moment of poor judgment, or a complacent attitude can jeopardize everything we have built, undermining client trust and even threatening the company's existence. I urge you to meticulously review not only the obvious but also the details we may have previously overlooked from a compliance perspective. The company will continue its efforts through regular monitoring and training to foster a culture of voluntary compliance.

I ask for your active participation in our compliance management initiatives, and together, let us build a stronger future for LG CNS!

January 21, 2025
Hyun Shin-Gyoon, CEO

CEO's Commitment

Activity & Performance

Compliance Training

LG CNS conducts compliance awareness activities for all employees, and provides regular compliance training for sales personnel who interact with clients, and employees of overseas subsidiaries. We educate employees on fair trade rules to prevent collusion, keeping them informed of changes in the laws, regulations, and business environments. We also educate employees on matters they must strictly observe in order to promote a culture of fair trade and mutual cooperation with suppliers. The quantitative goal for compliance education in 2025 is to ensure that 80% or more of the target employees complete the training.

Compliance Training

Compliance Training Target by Year

Category	Year	Target
Education for sales personnel	2022	421 people
	2023	524 people
	2024	506 people
Education for employees of overseas subsidiaries[1)]	2024	68 people

1) Training for employees of overseas subsidiaries has been implemented since 2024

Monitoring Legislative Trends

We monitor legislative and regulatory trends related to our business areas to respond flexibly to rapidly changing business environments and international situations. We analyze the impact on the company and provide monthly legislative trend letters to management to support management activities.

Compliance

Anti-corruption Activities

LG CNS employees conduct business fairly and transparently in accordance with principles and standards, and follow the Jeong-Do Management principle of obtaining or maintaining business through legitimate means, without resorting to unethical approaches such as bribery, and competing fairly based on ability.

On the first business day of each year, all employees reaffirm their commitment to complying with anti-corruption laws by signing a pledge which indicates their understanding of and agreement to follow the company's policy of complying with all domestic and international anti-corruption laws, including prohibitions against improper solicitation, offering money or valuables, and engaging in corrupt activities through third parties.

In response to the global trend of strengthening anti-corruption regulations and penalties, LG CNS has included precautions for overseas business in its anti-corruption regulations to prepare for anti-corruption regulatory risks in each country, and has established enhanced pre-inspection procedures to prevent risks when conducting overseas business.

Key Activities by Risk Management Area

HR · Labor	Work environment monitoring, etc.
IR	Prevention of the use of unpublished confidential information, etc.
Subcontracting	Online training on collaboration risks
	Provision and review of new project guidelines, etc.
Safety · Health · Environment	Business sites and project safety inspections, etc.
Personal information protection	Inspection of personal information consignee, etc.

Promoting Fair Trade Practices in the Company

Improve Business Processes

- Promptly reflect changes in the Fair Trade Act, the Subcontracting Act, and review guidelines in business processes and systems when they are revised and implemented, and notify employees to prevent potential violations due to unfamiliarity with the revisions
- Review and improve internal processes to ensure fair transactions with suppliers

Conduct Online and Offline Training and Monitoring

- Conduct online and offline training for employees on collusion prevention, subcontracting compliance, and the latest trends to spread fair trade awareness
- Prevent and manage fair trade risks by conducting monitoring to prevent violations of fair trade laws and regulations

Operate Fair Trade Portal

- Provide content such as "Introduction to fair trade," "Report of contact with competitors' employees," "Technical data request," "Compliance guide," etc.
- Provide information on revisions to laws and regulations to enable employees to perform their duties in compliance with fair trade laws and regulations

Anti-Cartel Pledge

- Every January, all employees sign an anti-cartel pledge
- Contact with competitors' employees is prohibited in principle, and when it is unavoidable, pre- and post-reporting are required to avoid situations that could lead to suspicion of collusion

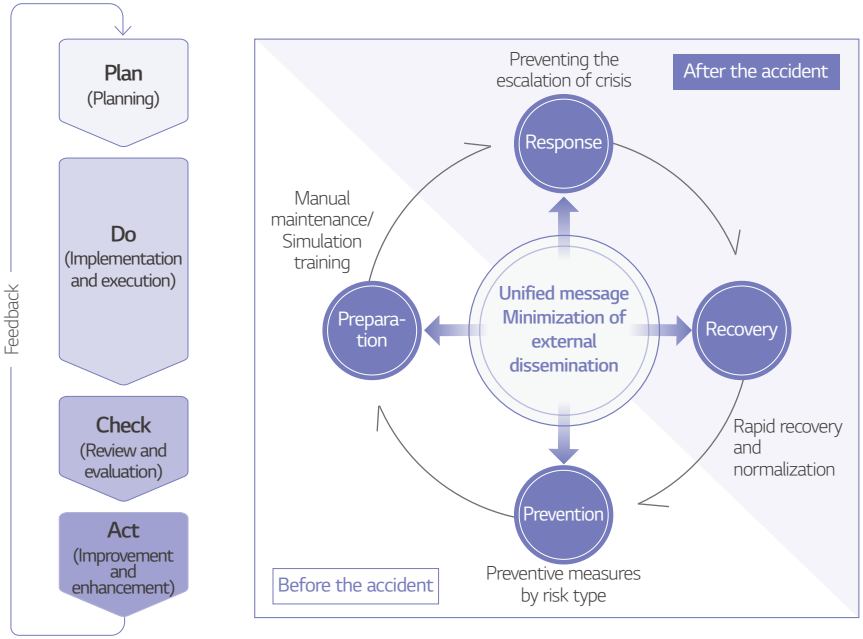
Risk and Crisis Management

Policy

LG CNS Risk Management Framework

LG CNS has been continuously enhancing its corporate crisis management framework, appointing a Chief Risk Management Officer (CRO) in 2021 and establishing the Crisis Management Bureau in 2024 to develop a corporate crisis management system in line with the LG Group's crisis management strategy. Based on the Group's standard crisis management framework, we have developed systems and processes across the "Plan-Do-Check-Act" domains, strengthening our execution capabilities. We are focusing on improving the company's overall crisis management capabilities, from risk prevention to crisis response, by identifying areas for improvement through operational checks and executing the Plan-Do-Check-Act cycle.

Crisis response process based on the Plan-Do-Check-Act framework



Through this approach, LG CNS is focused on preventing events or accidents that could seriously affect business continuity, reputation, and relationships with key stakeholders, and on minimizing damage in the event of a crisis.

Corporate Crisis Management Governance

LG CNS operates the "Crisis Management Committee" in line with the Group's crisis management approach. The Committee is the company's highest decision-making body, discussing and making decisions on the overall operations of the crisis management system, including determining company-wide crisis management policies and reviewing crisis response systems for each subcommittee.

The Corporate Crisis Management Committee appoints the CRO as chairperson to ensure efficient decision-making, and holds quarterly meetings with subcommittee members, which consist of key executives from risk owner organizations.

Organization Chart of the Corporate Crisis Management Committee

Preventive Activities of Risk Owner Organizations

LG CNS manages risks in each area to prevent risks and respond quickly and effectively when they arise. In 2025, risk owner organizations in areas such as quality strategy/implementation, safety and health/environment, information security, public relations & affairs, legal, HR, purchasing, and finance are engaging in preventive activities.

Each risk owner organization identifies risks in advance based on changes in internal and external environments, establishes and implements risk management and mitigation plans, and shares these activities with the Crisis Management Committee for continuous management.

Risk and Crisis Management

Goal

LG CNS continuously revises and supplements its criteria for evaluating crisis factors, such as quality and information security, as well as crisis levels (A to D), according to its own circumstances. We classify incidents or accidents that could damage our business or corporate reputation as major crises. Based on key crisis factors and crisis level assessment criteria, we comprehensively evaluate our management responsibility, severity of damage, stakeholders, and possibility of the issue spreading, in order to determine whether to activate the company-wide crisis response system and execute the necessary actions.

LG CNS conducts an annual self-assessment of its crisis management system level (maturity) using the Group's crisis management system standard model maturity checklist. On the LG Group's Level 5 crisis scale, we achieved Level 3 in 2024, one level higher than the previous year. We will continue to improve our crisis management system by holding quarterly Corporate Crisis Management Committee meetings and conducting company-wide mock drills in the first and second halves of the year, as well as performing activities to raise employees' awareness of crisis management.

Activity & Performance

Key Crisis Factor Management

The Crisis Management Bureau, under the CRO, manages the LG Crisis Map by selecting key crisis factors that could affect business operations every year in accordance with group standards. In addition, the Bureau continuously revises company-wide crisis management regulations and manuals and shares them with employees to raise awareness of crisis management.

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

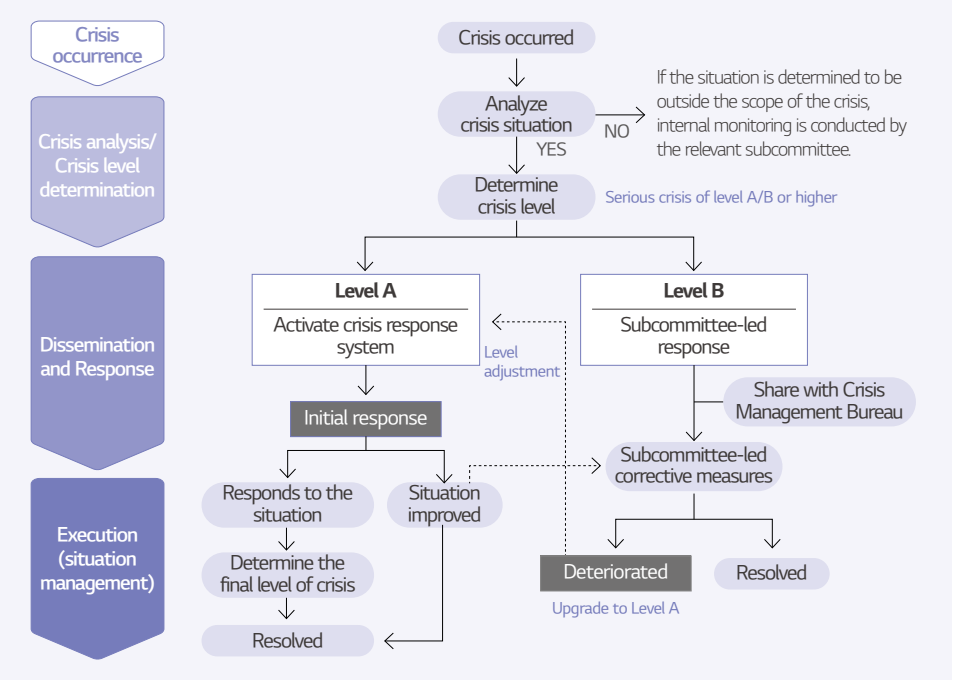
Risk and Crisis Management

Company-wide Serious Crisis Response Process

When a crisis factor that falls under a crisis category occurs, LG CNS takes follow-up measures such as reporting and dissemination of information on the crisis and issuing on-site instructions in accordance with the regulations and response procedures of the relevant risk owner organization. We regularly review our response systems for crises that could have a significant impact on business operations, and in the event of a serious crisis, activate our company-wide emergency response system to facilitate a swift and efficient response.

Through this system, we respond to crises with a clear division of roles and collaboration between relevant organizations to ensure that consistent messages are communicated to internal and external stakeholders, including shareholders, employees, the media, and the holding company. In the event of an incident or accident, we promptly disseminate and report information simultaneously, while implementing proactive measures to prevent crises from spreading outside the organization.

Serious Crisis Response Process



In the event of a crisis, we identify the root causes and potential crises derived from the impact of the damage, and establish and implement crisis response tasks and measures to prevent recurrence. We then check and monitor the implementation process through L&L (Lesson-Learned) and manage the necessary changes until a full recovery is achieved.

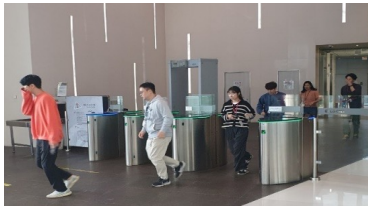
Operation of Crisis Management Information System (CMIS)

LG CNS established the Crisis Management Information System (CMIS), which has been operated company-wide since 2023, to facilitate rapid communication, response, and management of crises. CMIS quickly disseminates information about issues or incidents to relevant departments, employees, and the holding company in accordance with predefined corporate crisis management standards and procedures. It also consolidates the results of responses to crises in one place for monitoring purposes.

Screenshot of the Crisis Management Information System (CMIS)

Execution of Company-wide Crisis Response Simulation Exercise

LG CNS has been conducting company-wide crisis response simulation exercises to strengthen its crisis response capabilities across the entire organization. Previously, these exercises were conducted separately for each area, but in 2024, we collaborated with relevant organizations to plan and execute a company-wide exercise. Through these exercises, we continuously review and improve our crisis response processes and communications systems. After the exercise, we undergo the L&L process to improve the effectiveness of the exercises. We also plan to conduct repetitive exercises based on realistic scenarios to enhance employees' crisis response capabilities.



Company-wide crisis response simulation exercise

Jeong-Do Management

Policy

LG Code of Ethics

LG has established its Code of Ethics as the standard for proper behavior and value judgments that all employees must follow to promote respect for the free market economy system, which fosters free and fair competition, and encourages mutual benefits with all stakeholders based on trust and cooperation. LG is committed to implementing the Code of Ethics.
The LG Code of Ethics covers responsibilities and obligations to clients, fair competition, fair transactions, basic ethics for employees, corporate responsibilities for employees, and responsibilities to the nation and society. LG CNS complies with this Code of Ethics.

Responsibilities and Obligations to Customers

- Respect customers
- Create value
- Deliver value

Fair Competition

- Pursue free competition
- Comply with laws and regulations

Fair Transactions

- Equal opportunity
- Fair transaction process
- Pursue mutual growth

Basic Ethics for Employees

- Basic ethics
- Accomplish mission
- Self-development
- Fairness in performance
- Avoid conflict of interest with the company

Corporate Responsibilities for Employees

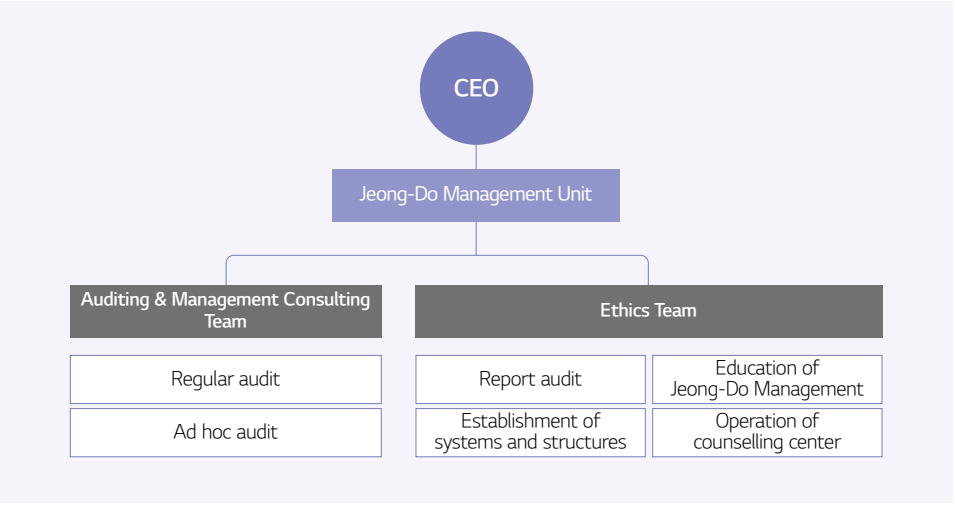
- Respect for human dignity
- Fair treatment
- Promote creativity

Responsibilities to the Nation and Society

- Rational business operation
- Protect shareholder returns
- Contribute to society
- Conservation of the environment

Jeong-Do Management Governance

To achieve the systematic practice of Jeong-Do Management, LG CNS operates a dedicated organization directly under the CEO and performs regular and ad hoc audit. In addition, the Ethics team of the Jeong-Do Management Unit audits of reported cases, educates employees on Jeong-Do Management, spreads Joeng-Do management practices, establishes relevant systems and structures, and operates a counseling center.



Goal

Direction of Promotion of Jeong-Do Management

LG CNS aims to establish a proactive inspection system to prevent possible Jeong-Do Management-related risks by major business processes and businesses, and to continuously improve the related processes and systems. In addition, we will expand Jeong-Do Management training to overseas corporations and suppliers to build mutual trust and cooperation through transparent and fair transactions to pursue common development from a long-term perspective.

Jeong-Do Management

Activity & Performance

Operation of Jeong-Do Management Noticeboard

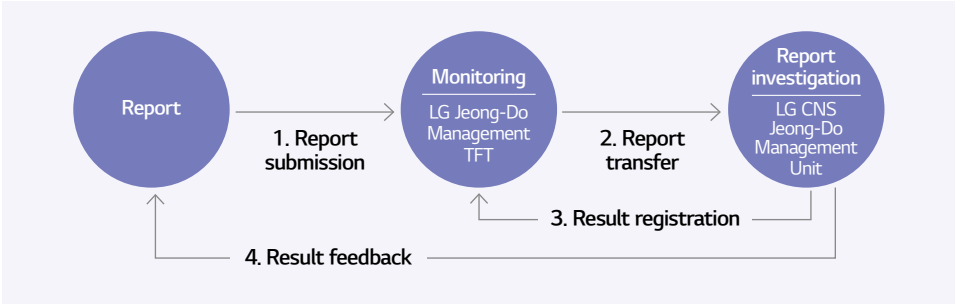
LG CNS operates an internal portal-based "Jeong-Do Management Guide" to help employees better access and implement Jeong-Do Management systematically. Through the noticeboard, we share Jeong-Do Management announcements and violation cases in real time, provide constant access to the LG Code of Ethics, and offer self-assessment and real-time consultation services.

"Jeong-Do Management Guide" noticeboard

Operation of Reporting Channels for Corruption and Irregularities

LG CNS receives reports of violations of the Code of Ethics, corruption and irregularities through various channels, including the Jeong-Do Management reporting channel, phone, and email. We strictly protect reporters from any adverse consequences resulting from their reports. In addition, we operate a reporter reward program to provide compensation to both internal and external reporters, thereby contributing to the activation of reporting and the eradication of misconduct.

Reporter Protection and Confidentiality



Jeong-Do Management Awareness Promotion Activities

Jeong-Do Management Implementation Pledge

LG CNS regularly reaffirms its commitment to complying with the LG Code of Ethics and practicing Jeong-Do Management to fulfill its responsibilities to our clients, suppliers, shareholders, and society, and to become a respected market leader. All employees begin their work each year after signing a Jeong-Do Management Pledge, and suppliers are also required to sign the pledge when signing contracts with LG.

Jeong-Do Management Training and Awareness Activities

LG CNS conducts regular Jeong-Do Management training for new and experienced employees and new leaders every year to ensure that Jeong-Do Management becomes an internalized behavior pattern among employees. In 2024, we provided training to all employees, with a total of 6,224 employees participating. In addition, as part of our activities aimed at raising awareness among employees, we post "Jeong-Do Management Letters" and "Jeong-Do Management Violation Cases" on the internal portal to raise awareness on a regular basis.

Communication with Stakeholders

Operating Multiple Communication Channels

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

	Clients	Employees	Suppliers	Public institutions and Industries	Shareholders and Investors	Local Community
Topics of Interest to Stakeholders	• Transform digital technology • Innovate customer value • Enhance client information protection • Improve AX solution quality	• Enhance competency development (education, training) • Operate various employee welfare programs • Manage safety and health	• Establish a supplier communication system • Promote shared growth with suppliers • Provide technical and training support to suppliers	• Advance the IT industry ecosystem • Comply with fair trade and related laws and regulations • Develop innovative services	• Establish transparent and sound corporate governance • Transparently disclose financial performance and management information • Implement ESG management activities	• Conduct environmental protection activities • Fulfill corporate social responsibility • Build collaborative relationships with communities
Communication Channels	• Website (as needed) • Voice of the Customer (as needed) • Customer satisfaction survey (once a year) • Customer Service Request survey (upon completion of CSR)	• Employee grievance handling program (as needed) • Labor-Management Council (quarterly) • Occupational Safety and Health Committee (quarterly) • CEO on-site visits (as needed) • People Care employee welfare programs and relevant announcment (as needed)	• PartnerPlus portal (as needed) • Jeong-Do Management reporting channel (as needed) • Supplier ESG self-Inspection (once a year) • Training and technical support for suppliers (as needed)	• Public/government relations (as needed) • Korea Software Industry Association (KOSA) Board of Directors • The Federation of Korean Information Industries Board of Directors • Government and industry policy engagement	• Shareholders' meeting (once a year) • Business reports (quarterly) • Board of Directors (as needed) • Audit Committee, Internal Transaction Committee, ESG Committee, Independent Director Candidate Recommendation Committee within the BOD (vary by committee)	• Social contribution activities (as needed) • Community work agreement

APPENDIX

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Environmental Performance[1)]

Greenhouse Gas

Category	Unit	2022	2023	2024
Total GHG emissions[2)]	tCO_2eq	134,223	130,017	130,303
Scope 1 (Direct GHG emissions)	tCO_2eq	606.65	675.66	804.18
Scope 2 (Indirect GHG emissions)	tCO_2eq	133,618.80	129,344.75	129,502.77
GHG emissions intensity	tCO_2eq/KRW 100 million	2.70	2.32	2.18
Percentage of reduced GHG emissions compared to the previous year	%	-8.23	3.13	-0.22

Energy[3)]

Category	Unit	2022	2023	2024
Total energy usage[4)]	TJ	2,852	2,772	2,782
Fuel	TJ	10.01	10.90	12.73
Steam	TJ	213.41	219.63	218.88
Electricity	TJ	2,624.38	2,537.25	2,546.21
Directly generated renewable energy	TJ	4.53	4.09	3.82
Energy use intensity	TJ/KRW 100 million	0.06	0.05	0.05

Air Pollutants[5)]

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

1) Reference for GHG/Energy data
- 2022, 2023 : Headquarter + 4 data centers (Busan, Gasan, Incheon, Sangam) + Sangam DDMC + Yonsei Severance Building (Excluding business sites using leased building on the basis of GHG emission/energy usage statement)
- 2024 : Included Hanam Data Center
- Intensity is calculated based on consolidated sales

2) The total GHG emissions differ slightly from the sum of GHG emissions by type because numbers on GHG emission statement are round numbers

3) The total energy consumption differ slightly from the sum of consumptions by type because numbers on energy usage statement are round numbers

4) Starting with this year's report, the figure was calculated by combining the amount of directly generated renewable energy from 2022 to 2024, resulting in an increase in the figure compared to the data in the previous year's sustainability report

5) LG CNS does not emit air pollutants

Environmental Performance

Water Resources

Category		Unit	2022	2023	2024
Total water withdrawl[1]		ton	237,703	268,032	244,755
By business site	Magok Headquarters	ton	64,490	72,550	73,703
	Gasan Data Center	ton	69,766	81,298	71,466
	Busan Data Center	ton	85,669	92,773	81,392
	Incheon Data Center	ton	3,004	3,497	1,585
	Sangam Data Center	ton	14,774	17,914	16,609
	Other	ton	0	0	0
By source	Waterworks	ton	237,703	268,032	244,755
	Groundwater	ton	0	0	0
	Seawater	ton	0	0	0
	Other	ton	0	0	0
By water type	Fresh water	ton	237,703	268,032	244,755
	Salt water	ton	0	0	0
Water reuse	Total water reuse	ton	1,353	4,625	3,115
	Internal water reuse	ton	1,353	2,804	2,161
	External water reuse	ton	0	1,821	954
	Water reuse rate	%	0.57	1.73	1.27

Waste - General Waste

Category		Unit	2022	2023	2024
Total waste (recycled and disposed)		ton	354	333	287
Recycled		ton	134.7	90.1	83.2
Disposed	Incineration (general)	ton	0	0	0
	Incineration (heat recovery)	ton	0	0	0
	Landfill	ton	0	0	0
	Other	ton	0	0	0
Other[2]		ton	218.9	243.1	204.1

Waste - Hazardous (Designated) Waste[3]

Category		Unit	2022	2023	2024
Total waste (recycled and disposed)		ton	0	0	0
Recycled		ton	0	0	0
Disposed	Incineration (general)	ton	0	0	0
	Incineration (heat recovery)	ton	0	0	0
	Landfill	ton	0	0	0
	Other	ton	0	0	0
Other		ton	0	0	0

1) LG CNS uses all of its water intake, so the amount of water intake and usage are the same
2) Refer to the waste processed by a subcontractor, making it difficult to accurately determine the amount of recycled and disposed waste. Therefore, it is categorized as "Other"
3) LG CNS does not emit designated waste

Social Performance[1)]

Employee Status

Category		Unit	2022	2023	2024
Total number of employees		Person	6,634	6,889	6,891
By gender	Male	Person	4,978	5,144	5,112
	Female	Person	1,656	1,745	1,779
By contract	Regular	Person	6,452	6,702	6,744
	Male	Person	4,849	5,005	5,005
	Female	Person	1,603	1,697	1,739
	Temporary[2)]	Person	182	187	147
	Male	Person	129	139	107
	Female	Person	53	48	40
By age (regular)	Under 30	Person	907	888	783
	Age 30 to under 50	Person	3,946	3,975	3,946
	Age 50 or older	Person	1,599	1,839	2,015

New Hires

Category		Unit	2022	2023	2024
Total number of new hires		Person	676	544	426
By gender	Male	Person	470	388	302
	Female	Person	206	156	124
By contract	Regular	Person	570	447	349
	Male	Person	399	314	250
	Female	Person	171	133	99
	Temporary	Person	106	97	77
	Male	Person	71	74	52
	Female	Person	35	23	25
By age	Under 30	Person	330	285	199
	Age 30 to under 50	Person	320	215	181
	Age 50 or older	Person	26	44	46

Overseas Employee Status

Category		Unit	2022	2023	2024
By region	America	Person	15	20	27
	China	Person	10	8	7
	Europe	Person	8	8	6
	Other	Person	35	55	51

New Hires at Overseas Business Sites

Category		Unit	2022	2023	2024
By region	America	Person	8	12	11
	China	Person	2	2	3
	Europe	Person	3	1	1
	Other	Person	12	29	19

1) Reporting scope : Based on domestic business sites (including overseas business sites for employee status and new hires)
2) Refer to fixed-term employees as defined by the Act on the Protection of Fixed-term and Part-time Employees, and their duties vary, including developers, PMs, and drivers

Social Performance

Employee Turnover

Category		Unit	2022	2023	2024
Total number of turnover		Person	452	289	338
By gender	Male	Person	324	223	248
	Female	Person	128	66	90
By age	Under 30	Person	97	50	53
	Age 30 to under 50	Person	280	151	158
	Age 50 or older	Person	75	88	127
Total number of voluntary turnover		Person	344	173	186
By gender	Male	Person	241	124	120
	Female	Person	103	49	66
Total voluntary turnover rate		%	5.2	2.5	2.7
Total turnover rate		%	6.8	4.2	4.9

Employee Diversity

Category		Unit	2022	2023	2024
Gender diversity rate	Female employee	%	25	25	26
	Female manager[1)]	%	15	17	17
	First-line female manager[2)]	%	16	18	18
	Female executive[3)]	%	16	19	14
	Female position holder in revenue-generating departments	%	15	16	17
	Female non-position holder in revenue-generating departments	%	24	25	26
	Female in STEM departments[4)]	%	31	33	29
Employee with disabilities[5)]		Person	113	125	130

Employee Training[6)]

Category		Unit	2022	2023	2024
Total training hours		Hour	279,160	227,885	282,856
By gender	Male	Hour	194,301	158,847	202,070
	Female	Hour	84,859	69,038	80,786
By position	Manager	Hour	146,134	127,430	148,813
	Non-manager	Hour	133,026	100,455	134,043
By training type	E-learning	Hour	36,302	69,905	74,198
	Offline	Hour	185,520	20,081	62,921
	Other	Hour	57,338	137,899	145,737
Average training hour per person	Hour_FTE (full time equivalent)	Hour	43	34	42
	Cost_FTE (full time equivalent)	KRW	1,551,483	1,422,066	1,086,544

1) All female employees holding positions
2) Female team leader/group leader
3) Female executives
4) Changed the indicator name "Proportion of female engineers" in the previous year's report
5) Based on workplaces subject to reporting of employment levy for people with disabilities
6) Based on full-time employees

Social Performance

Information Security

Category	Unit	2022	2023	2024
Total number of information security breaches	Case	0	0	0
Number of clients affected by information security breaches	Person	0	0	0

Safety and Health

Category		Unit	2022	2023	2024
Injury	Number of injured people	Person	1	1	1
	Injury rate[1]	%	0.015	0.015	0.014
Fatality	Number of fatalities	Person	0	0	0
	Fatality rate	%	0	0	0
LTIFR[2] (Lost-Time Injuries Frequency Rate)	Employees	Case/million hours worked	0.09	0.09	0.08
	Supplier employees	Case/million hours worked	0	0	0

Supply Chain Management

Category		Unit	2022	2023	2024
Supplier ESG self-assessment	Suppliers subject to self-assessment	Company	76[3]	71	105
	Suppliers that have completed the self-assessment	Company	64	43	63
	Suppliers subject to third-party assessment	Company	0	20	0
	Suppliers that have completed third-party assessment	Company	0	20	0
Shared Growth Index Grade		Grade	Excellent	Excellent	Excellent

Social Contribution

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

1) Number of injured workers/Workers subject to occupational accident compensation X 100
2) Total number of injuries/Total annual hours of work X 1,000,000
3) Corrected due to errors in the 2022 data in the previous year's sustainability report

Governance Performance

BOD Composition

Category		Unit	2022	2023	2024
Gender	Male	Person	5	5	6
	Female	Person	0	0	1
Inside/ Independent/ Other	Inside director	Person	2	2	1
	Independent director	Person	0	0	4
	Other non-executive director	Person	3	3	2

BOD Operation

Category	Unit	2022	2023	2024
BOD meeting	Case	11	7	11
Agenda reported	Case	13	15	12
Agenda approved	Case	24	23	28
Average attendance rate[1)]	%	94.6	91.4	96.1
Reviews on ESG and risk management in economy/society/environment by BOD	Case	6	7	7[2)]
Number of independent directors who do not violate restrictions on concurrent positions[3)]	Person	0	0	4

Contributions and Other Expenditures[4)]

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

1) Sum of the attendance rate for each BOD meeting/Total number of BOD meetings held
2) Refer to the 2024 Business Report (272p), a total of 7 times to review the report on the inspection on the status of personal credit information management and protection, safety and health agenda items, and ESG agenda items
3) In accordance with the Commercial Act and other relevant laws and regulations, LG CNS restricts independent directors from holding concurrent positions at two or more other companies, and there were no violations as of the date of publication of the report (June 2025)
4) The provision of political funds is prohibited in accordance with the Political Funds Act and other relevant laws and regulations
5) Joined in 2023
6) Past data was revised due to changes in internal data management standards
7) Limited to sanctions imposed by investigative or judicial authorities as stated in the Business Report

Policy Contribution (Top 5 Organizations)

Category	Unit	2022	2023	2024
Seoul Chamber of Commerce and Industry	KRW 1,000	192,600	149,040	154,980
American Chamber of Commerce in Korea (AMCHAM)	KRW 1,000	0[5)]	60,000	60,000
Electrical Contractors Association	KRW 1,000	5,284	615	40,724
Korea Information & Communication Contractors Association	KRW 1,000	24,719	31,539	25,738
Korea Software Industry Association (KOSA)	KRW 1,000	20,000	20,000	20,000

Code of Ethics

Category		Unit	2022	2023	2024
Ethics training	Number of target employees	Person	6,634	6,889	6,891
	Number of employees who completed training	Person	1,239	6,369	6,224
Violation and handling status[6)]	Number of violations of the Code of Ethics	Case	5	6	9
	Number of measures taken for violations of the Code of Ethics	Case	5	6	9
	Resolution ratio	%	100	100	100

Compliance (Violation of Laws and Regulations)[7)]

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

Financial Performance[1)]

Summary of Consolidated Financial Statements

Category	Unit	2022	2023	2024
Current assets	KRW million	2,847,939	3,037,232	3,435,316
Accounts receivables	KRW million	1,392,333	1,531,581	1,661,563
Inventory	KRW million	55,359	66,498	45,921
Other current assets	KRW million	1,400,247	1,439,153	1,727,832
Non-current assets	KRW million	1,017,196	1,003,448	1,069,191
Associate and joint venture investments	KRW million	91,569	102,385	124,356
Tangible assets	KRW million	564,926	548,533	545,208
Intangible assets	KRW million	104,486	88,054	63,691
Other non-current assets	KRW million	256,215	264,475	335,936
Total assets	KRW million	3,865,135	4,040,680	4,504,508
Current liabilities	KRW million	2,005,335	1,543,113	1,852,324
Non-current liabilities	KRW million	229,012	629,311	529,373
Total liabilities	KRW million	2,234,346	2,172,423	2,381,697
Capital attributable to the owner of the parent company	KRW million	1,625,966	1,863,306	2,115,116
Capital	KRW million	47,198	47,198	47,198
Capital surplus	KRW million	35,041	35,041	35,041
Accumulated other comprehensive income	KRW million	-9,286	8,700	29,765
Retained earnings	KRW million	1,553,012	1,772,366	2,003,112
Non-controlling interests	KRW million	4,823	4,951	7,694
Total equity	KRW million	1,630,789	1,868,256	2,122,810
Total liabilities and equity	KRW million	3,865,135	4,040,680	4,504,508

1) The total amount of financial performance indicators differs from the sum of their individual figures because the individual figures are rounded up, while the total amount is calculated by adding all the decimals

Summary of Consolidated Income Statement

Category	Unit	2022	2023	2024
Sales	KRW million	4,969,651	5,605,300	5,982,627
Cost of sales	KRW million	4,237,641	4,770,447	5,051,386
Gross profit	KRW million	732,010	834,853	931,241
Selling, general and administrative expenses	KRW million	346,616	370,805	418,377
Operating profit	KRW million	385,395	464,048	512,864
Financial income	KRW million	18,190	36,407	39,123
Financial expense	KRW million	19,485	39,559	29,789
Gain or loss on investments using equity method	KRW million	5,456	14,839	4,812
Non-operating income	KRW million	49,446	46,855	64,869
Non-operating expense	KRW million	74,137	79,927	106,395
Profit before corporate tax expense	KRW million	364,864	442,662	485,485
Corporate tax expense	KRW million	99,896	110,310	120,571
Net income (loss)	KRW million	264,968	332,352	364,914

Distribution of Financial Performance (On a separate basis)

Category	Unit	2022	2023	2024
Salary and bonus	KRW 100 million	7,321	7,887	8,218
Welfare	KRW 100 million	1,068	1,195	1,333
Severance	KRW 100 million	573	579	621
Education and training expenses	KRW 100 million	122	114	88
Outsourcing service expenses	KRW 100 million	12,049	13,389	13,461
Corporate tax payments	KRW 100 million	714	823	966
Other taxes and utility expenses	KRW 100 million	60	67	67
Donation	KRW 100 million	18	15	24
Association and conference participation expenses	KRW 100 million	9	12	13
Dividend	KRW 100 million	1,038	1,325	1,458

GRI Standards Index

Statement of use

LG CNS has prepared the "2024-2025 Sustainability Report" in accordance with the GRI Standards 2021, covering key activities and reports related to sustainable management from January 1, 2024 to December 31, 2024.

GRI 1 used - GRI 1 : Foundation 2021

Applicable GRI Sector Standards - N/A

Topic	Disclosure		Reporting Page
The organization and its reporting practices	2-1	Organizational details	7-8p
	2-2	Entities included in the organization's sustainability reporting	2p, 7-8p
	2-3	Reporting period, frequency and contact point	2p, 117p
	2-4	Restatements of information	102p, 106p, 107p
	2-5	External assurance	115-116p
Activities and workers	2-6	Activities, value chain and other business relationships	7-8p, Business Report 23p, 26p, 31p
	2-7	Employees	7p, 104p
	2-8	Workers who are not employees	104p
Governance	2-9	Governance structure and composition	89-91p, 100p, 107p, Business Report 285p
	2-10	Nomination and selection of the highest governance body	Business Report 274p
	2-11	Chair of the highest governance body	89p
	2-12	Role of the highest governance body in overseeing the management of impacts	89-91p
	2-13	Delegation of responsibility for managing impacts	91p
	2-14	Role of the highest governance body in sustainability reporting	Materiality assessment results are being reported to management, but the management does not have an official role of approval.
	2-15	Conflicts of interest	89p, 91p, 107p, Business Report 296p

Topic	Disclosure		Reporting Page
Governance	2-16	Communication of critical concerns	91p
	2-17	Collective knowledge of the highest governance body	No ESG training is provided for the BOD
	2-18	Evaluation of the performance of the highest governance body	90p
	2-19	Remuneration policies	Related to Business Report 290p, Executive compensation rules
	2-20	Process to determine remuneration	Related to Business Report 290p, Executive compensation rules
	2-21	Annual total compensation ratio	Business Report 290-294p
Strategy	2-22	Statement on sustainable development strategy	5-6p
	2-23	Policy commitments	9p, 52p, 63p, 75p, 85p, 98p
	2-24	Embedding policy commitments	9p, 52-53p, 63p, 75-76p, 85-86p, 98p
	2-25	Processes to remediate negative impacts	65p, 83p, 99p
	2-26	Mechanisms for seeking advice and raising concerns	65p, 78p, 83p, 86p
	2-27	Compliance with laws and regulations	107p, Business Report 302p
	2-28	Membership associations	107p
Stakeholder engagement	2-29	Approach to stakeholder engagement	100p
	2-30	Collective bargaining agreements	Not applicable as there is no labor union

GRI Standards Index

Topic	Disclosure		Reporting Page
Management approach	3-1	Process to determine material topics	11-12p
	3-2	List of material topics	12p
	3-3	Management of material topics	13p
Economic Performance	201-1	Direct economic value generated and distributed	108p
Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	107p
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No non-compliance
Energy	302-1	Energy consumption within the organization	102p
	302-3	Energy intensity	102p
Water and Effluents	303-3	Water withdrawal	103p
Emissions	305-1	Direct GHG emissions (Scope 1)	102p
	305-2	Indirect GHG emissions (Scope 2)	102p
	305-4	GHG emissions intensity	102p
	305-5	Reduction of GHG emissions	53-54p
	305-7	NOx, SOx and other significant air emissions	102p
Waste	306-3	Waste generated	103p
	306-4	Waste diverted from disposal	103p
	306-5	Waste directed to disposal	103p

Topic	Disclosure		Reporting Page
Employment	401-1	New employee hires and employee turnover	104-105p
	401-3	Parental leave	Business Report 289p
Occupational Health and Safety	403-1	Occupational health and safety management system	75p
	403-2	Hazard identification, risk assessment, and incident investigation	76-77p
	403-3	Occupational health services	75-78p
	403-4	Worker participation, consultation, and communication on occupational health and safety	76p, 78p
	403-5	Worker training on occupational health and safety	78p
	403-6	Promotion of worker health	67, 78p
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	77p
	403-8	Workers covered by an occupational health and safety management system	75-76p
	403-9	Work-related injuries	106p
Training and Education	404-1	Average hours of training per year per employee	105p
	404-2	Programs for upgrading employee skills and transition assistance programs	59-62p
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	105p, 107p
Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Not applicable
Public Policy	415-1	Political contributions	Not applicable
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	106p

SASB Index

Industry - Software & IT Services

Topic	Code	Description	Unit of Measure	Reporting Page
Environmental Footprint of Hardware Infrastructure	TC-SI-130a.1	(1) Total energy consumed, (2) percentage of grid electricity, (3) percentage of renewable energy	Gigajoules (GJ), Percentage (%)	102p
	TC-SI-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic meters (m^3), Percentage (%)	103p
	TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Not applicable	52-55p
Data Privacy & Freedom of Expression	TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	Not applicable	68-74p
	TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Reporting currency	Zero case based on 302p of the Business Report
Data Security	TC-SI-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	Number, Percentage (%)	106p
	TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Not applicable	68-74p
Recruiting & Managing a Global, Diverse & Skilled Workforce	TC-SI-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	Percentage (%)	104p
	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Percentage (%)	104p
Intellectual Property Protection & Competitive Behavior	TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Reporting currency	Zero case based on 302p of the Business Report

UN SDGs

UN SDGs (Sustainable Development Goals)

The United Nations has proposed the UN Sustainable Development Goals (UN SDGs), consisting of 17 goals, to respond to the economic, environmental, and social issues facing humanity and to realize sustainable development together with the world. LG CNS is implementing activities to create social value with a focus on achieving 10 goals, excluding specific goals that are not closely related to the company, such as poverty, marine resources, and agricultural development.

UN SDGs	Activity	Reporting Page
Good Health and Well-Being	• Take care of the employees' mental health with a psychological counseling center and Mind Care Center • Provide health therapy, medical expenses support for serious illnesses and flu vaccination support • Improve the screening items related to cardiovascular diseases	67p, 78p
Quality Education	• Operate IT education for youth through AI Genius and AI Genius Academy • Provide education for schools for students with disabilities and schools in rural areas	79-81p
Gender Equality	• Implement spousal parental leave and reduce working hours during pregnancy and childcare • Implement female employee support system • Provide sexual harassment prevention training	63-67p
Clean Water and Sanitation	• Monitor water usage and perform regular water quality testing	54p
Affordable and Clean Energy	• Operate DCIM and GHG management system • Replace with high-efficiency equipment in data centers • Improve data center PUE • Achieve energy savings by utilizing environmentally friendly IT systems	52-54p
Decent Work and Economic Growth	• Industry-Academia cooperation program • Support the recruitment of new hires for suppliers	60p, 83p
Industry, Innovation and Infrastructure	• LG CNS Digital Solutions	15-42p
Sustainable Cities and Communities	• Optimize city operations with AI • Reduce air pollution and carbon emissions by solving traffic congestion issues through intelligent transportation systems	27-29p
Climate Action	• Manage and reduce carbon emissions at each business site • Implement environmental management policy	52-56p
Peace, Justice and Strong Institutions	• Implement compliance training based on job type of employees • Sign the Jeong-Do Management Implementation Pledge	92-94p, 99p

TCFD Index

Category	TCFD Recommendation	Reporting Page
Governance	a. Describe the board's oversight of climate-related risks and opportunities	91p
	b. Describe management's role in assessing and managing climate-related risks and opportunities	53p
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	To be disclosed
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	
Risk Management	a. Describe the organization's processes for identifying and assessing climate-related risks	95-97p
	b. Describe the organization's processes for managing climate-related risks	95-97p
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	95-97p
Metrics and Targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	102p
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	102p
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	52-56p

GHG Emissions Verification Statement

LG CNS

Verification Target and Scope

This verification was conducted based on the 2024 greenhouse gas emissions and energy usage statement prepared by LG CNS and all greenhouse gas emission sources under the operational control of LG CNS, targeting energy-using facilities and means.

Verification Criteria

This verification was conducted in accordance with the Guidelines for Reporting and Certification of Emissions of the Greenhouse Gas Emissions Trading System [Korean Ministry of Environment Notification No. 2025-28] and the Verification Guidelines for Operation of the Greenhouse Gas Emissions Trading System [Korean Ministry of Environment Notification No. 2024-169].

Verification Procedure

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

Verification Limits

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

Verification Opinion

No significant errors were found in the 2024 greenhouse gas emissions and energy usage statement in the following table submitted by your company, and it satisfies the criteria for the materiality assessment, so we present an "appropriate" opinion.

No	Business Name	Annual Greenhouse Gas Emissions (tCO_2eq)			Annual Energy Usage (TJ)			
		Direct GHG Emission (Scope 1)	Indirect GHG Emission (Scope 2)	Total Amount	Fuel Usage	Electricity Usage	Steam Usage	Total Amount
1	Sangam IT Center	20.899	33,326.241	33,347	0.301	553.685	194.622	748
2	Construction sector workplace	-	-	-	-	-	-	-
3	Incheon IT Center	2.360	3,391.305	3,393	0.034	70.866	-	70
4	Busan IT Center	170.877	44,150.283	44,321	2.463	922.579	-	925
5	Gasan IT Center	110.298	33,723.242	33,833	1.938	704.692	-	706
6	Head Office	470.527	4,097.638	4,568	7.421	71.936	19.457	98
7	Sangam DDMC	-	1,407.771	1,407	-	25.898	4.799	30
8	Rental Business	-	363.014	363	-	7.586	-	7
9	Yonsei Severance Building	29.215	283.404	312	0.576	5.922	-	6
10	Hanam IT Center	-	9,122.893	9,122	-	190.635	-	190
	Sum	804.177	129,865.791	130,666	12.733	2,553.799	218.878	2,780

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

June 10, 2025

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

Independent Assurance Opinion Statement

To : The Stakeholders of LG CNS

Overview

The British Standards Institution (hereinafter referred to as the "Assurer") was requested to verify the LG CNS' 2024-2025 Sustainability Report (hereinafter referred to as the "Report"). The Assurer is independent to LG CNS and has no major operational financial interest other than the assurance of the Report. This assurance opinion statement is intended to provide information related to the assurance of the LG CNS' report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any other purpose. This assurance opinion statement is prepared based on the information presented by the LG CNS. The verification does not extend beyond such information and is solely based on it. In performing such verification, the Assurer has assumed that all such information is complete and accurate.

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

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

Scope

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

- Report contents during the period from January 1st to December 31st 2024 included in the Report, some data of 2025 are included.
- Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- Confirmation of the Report's compliance with the AA1000 Accountability Four Principles and, where applicable, the reliability of the sustainability performance information contained within the Report, based on the type of sustainability assurance performed in accordance with AA1000 AS v3.

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

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

Assurance Level and Type

The assurance level and type are as follows ;

- Moderate level based on AA1000 AS and Type 1 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 and quality and reliability of specific performance information published in the report.)

Description and sources of disclosures covered

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

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

[Topic Standards]
201-1, 205-3, 206-1, 302-1&3, 303-3, 305-1,2,4,5&7, 306-3~5, 401-1&3, 403-1~9, 404-1&2, 405-1, 409-1, 415-1, 418-1

Methodology

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

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

Limitations and approach used to mitigate limitations

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

Independent Assurance Opinion Statement

Competency and Independence

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

Opinion Statement

The assurance was conducted by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. The Assurer planned and performed the verification and collected sufficient evidence to explain LG CNS` approach to the AA1000 Assurance Standard and to provide confidence in its self-declaration of compliance with the GRI Standards.
On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social and environment performance indicators are accurate and are supported by robust internal control processes.

Conclusions

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

Inclusivity : Stakeholder engagement and opinion

LG CNS has identified customers, employees, partners, public institutions and industries, shareholders/investors, and local communities as key stakeholders. The company has established and operates various communication channels and cycles tailored to each stakeholder group. Through its stakeholder engagement process, LG CNS gathers expectations and diverse opinions from core stakeholder groups, integrates key identified issues into sustainability-related decision-making, and transparently discloses this process through its reports.

Materiality : Identification and reporting of material sustainability topics

LG CNS has established a process to develop strategies related to sustainable management and identify reporting issues. Based on sustainability standards such as GRI and UN SDGs, industry benchmarking, media research, and key stakeholder survey analysis, the company conducted impact materiality assessment and financial materiality assessment. Through this double materiality evaluation, LG CNS selected 13 issues and 3 key material issues, which are disclosed in its sustainability report.

Responsiveness : Responding to material sustainability topics and related impacts

LG CNS has conducted an "IRO Analysis" on key material issues determined through the double materiality assessment, including information security and personal data protection, technological innovation, and human capital management. Through this analysis, LG CNS has defined each issue, assessed its positive and negative impacts on environmental and social importance, and evaluated risks and opportunities related to financial materiality. Based on these findings, the company has established response strategies for each material issue and reported the corresponding performance in its sustainability report.

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

LG CNS has established a process to identify and assess the impact of key material issues on the organization and stakeholders. The results of the analysis, including the impact, risks, and opportunities associated with key material issues, are utilized in decision-making for developing response strategies for each issue. This process is transparently disclosed through reports.

Recommendations and Opportunity for improvement

The Assurer provides the following observations to the extent that they do not affect the assurance opinion;

- Corporate governance is a key factor that determines a company's sustainability and responsible management from an ESG perspective. To strengthen governance capabilities, it is essential to understand ESG trends and changes in global regulations, while improving decision-making abilities regarding industry-specific ESG risks and opportunities. This requires systematic strategy development and implementation to enhance governance decision-making processes and strengthen expertise in relevant fields.
- LG CNS applied a double materiality assessment process in its report, conducting both an Impact Materiality Assessment and a Financial Materiality Assessment. Through this process, they identified and disclosed 13 issues and 3 core material issues in the report, providing detailed reporting on the risks, opportunities, and response strategies for each material issue. If future reports include targets and indicators for each core issue, along with performance results and future action plans for addressing deficiencies, it will enhance sustainability and business performance while strengthening corporate value in the long term.

GRI-reporting

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

bsi. AA1000 Licensed Report 000-4/V3-UC4UO

Issue Date : 05/06/2025
For and on behalf of BSI (British Standards Institution) : BSI representative

Sangwoo Nam,
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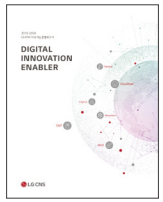
Hold Statement Number : SRA 829580

LG CNS Sustainability Report Publications

2016-2017

2017-2018

2018-2019



2019-2020

2020-2021

2021-2022

2022-2023

2023-2024

2024-2025

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

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