

# LEADING A SUSTAINABLE FUTURE WITH GREEN CABLE SOLUTIONS

2025-2026 Sustainability Report + Annual Report

# About this Report

We have published the sixteenth sustainability report to share our activities and performance with stakeholders.

The report outlines our strategy, key achievements, and future plans across the areas of environment, society, and governance (ESG).

We remain committed to fostering transparent communication with our stakeholders through these reports.

## Overview

Since 2010, we have published an annual Sustainability Report to promote sustainable growth and provide transparent information to stakeholders. Key topics were identified through a materiality assessment reflecting environmental, social, and financial impacts as well as stakeholder perspectives. This sixteenth report, published in 2026, highlights our material issues and major ESG initiatives and achievements.

## Reporting guidelines

This report has been prepared in accordance with the GRI Standards 2021 and reflects the IFRS S2 Climate-related Disclosures issued by the International Sustainability Standards Board (ISSB). Financial information is presented on a consolidated basis in accordance with K-IFRS, and both financial and non-financial information are based on FY2025.

## Reporting boundary

This report includes domestic and overseas subsidiaries representing 90.3% of consolidated revenue and 94.8% of the total workforce reported in LS Cable & System's consolidated business report. Where applicable, the reporting boundary is separately indicated. Where data collection limitations restrict the reporting boundary to domestic operations or only certain overseas sites, the applicable scope is also clearly specified.

## Reporting period

This report covers the period from January 1 to December 31, 2025. Quantitative data are presented for the three-year period from 2023 to 2025 (year-end basis). Significant achievements after the reporting period are included through May 2026.

## Verification of this report

To enhance the credibility of this report, independent assurance was conducted by the British Standards Institution (BSI), ensuring the reliability, fairness, and integrity of the reporting process and disclosed information. The assurance statement is included in the Appendix.

## Further information

This report, published in both Korean and English, is available for download on the LS C&S website. (<https://www.lscns.co.kr/en/main.asp>)  For comments or inquiries regarding the report, please contact:

**Publisher of the Sustainability Report.** ESG Management Team

Tel. 02-2189-9134 | E-mail. [esg@lscns.com](mailto:esg@lscns.com) 

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# CEO's Message



Dear stakeholders,  
Thank you for your continued trust  
in and support of LS C&S.



We are entering a new era shaped by the global energy transition and the rapid advancement of AI. As demand for energy and digital infrastructure continues to rise, related industries continue to expand. At the same time, geopolitical tensions, tighter regulations, and the realignment of global supply chains are further increasing business uncertainty. Against this backdrop, ensuring stable power infrastructure and securing resilient supply chains have become critical priorities for businesses around the world.

To meet these evolving needs, LS C&S is playing a leading role in advancing the energy infrastructure industry through differentiated products and solutions, stronger project delivery capabilities, and an expanded global manufacturing footprint. These efforts provide a strong foundation for sustainable growth across the broader industrial ecosystem.

Our focus extends beyond business sustainability to ESG management that fulfills stakeholder expectations. Building on this commitment, we will further strengthen ESG implementation across the environment, human rights, supply chain management, and ethics and compliance so that sustainable value is embedded throughout our business activities. The following priorities will guide our efforts.

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### First, we will continue our efforts to achieve carbon neutrality by 2050 and advance a circular economy.

Achieving carbon neutrality by 2050 remains our highest ESG priority. To support this goal, we are pursuing a range of initiatives across our operations and value chain. Our inclusion in the CDP Leadership category reflects the meaningful progress we have made in addressing climate change. This recognition was supported by company-wide carbon reduction initiatives, including increasing the share of renewable energy to 27% globally, measuring product-level carbon impacts, and improving operational efficiency. We also earned internationally recognized Zero Waste to Landfill certifications at our manufacturing sites, demonstrating a strong commitment to environmental responsibility. In addition, we established Korea Future Materials to support the circular use of recovered raw materials in cable production. This initiative will serve as a key pillar of our transition to a more circular and resource-efficient production system.

### Second, we will contribute to a more sustainable value chain.

Human rights management has remained one of our key material issues for two consecutive years since 2024. To put this commitment into practice, we conducted human rights impact assessments across all domestic operations and began strengthening our human rights management framework in line with global standards. As part of these efforts, we issued a Human Rights Commitment based on the UN Guiding Principles on Business and Human Rights (UNGPs) in January 2026. The Commitment outlines our commitment to respecting the human rights of employees, suppliers, customers, local communities, and business partners. Respect for human rights is a value that must be embraced and upheld throughout the value chain, not only within our own operations. To support this commitment, we introduced supplier ESG due diligence and began providing practical support to help our suppliers strengthen their ESG management capabilities. We will continue to strengthen collaborative partnerships that advance sustainability across the entire value chain.

### Third, we will strengthen sustainability management across our global network.

This year, LS C&S published its first sustainability report on a consolidated basis, expanding the scope of ESG management from headquarters to operations worldwide. As our business continues to expand beyond national borders, encompassing global manufacturing operations and the broader value chain, we are establishing a unified set of principles and standards of conduct for all domestic and overseas operations. These principles cover environmental management, human rights, ethics and compliance, health and safety, and shared growth with suppliers. Going forward, we will continue to advance ESG initiatives and strengthen management practices while enhancing our consolidated reporting framework.

This year, we joined the UN Global Compact, further demonstrating our commitment to sustainability. Guided by its principles on human rights, labor, the environment, and anti-corruption, we will continue to promote responsible business practices and build trust with our stakeholders.

The ongoing supercycle in global energy infrastructure not only presents significant opportunities for growth but also calls for continuous innovation. Under our mission of Enable the Cabled World, all of our employees will continue to work together with a strong sense of responsibility to help ensure that people around the world have access to energy and information.

We look forward to your ongoing interest and encouragement.

Thank you.

**Bon-Kyu Koo**  
CEO, LS Cable & System

*Bon Kyu Koo*

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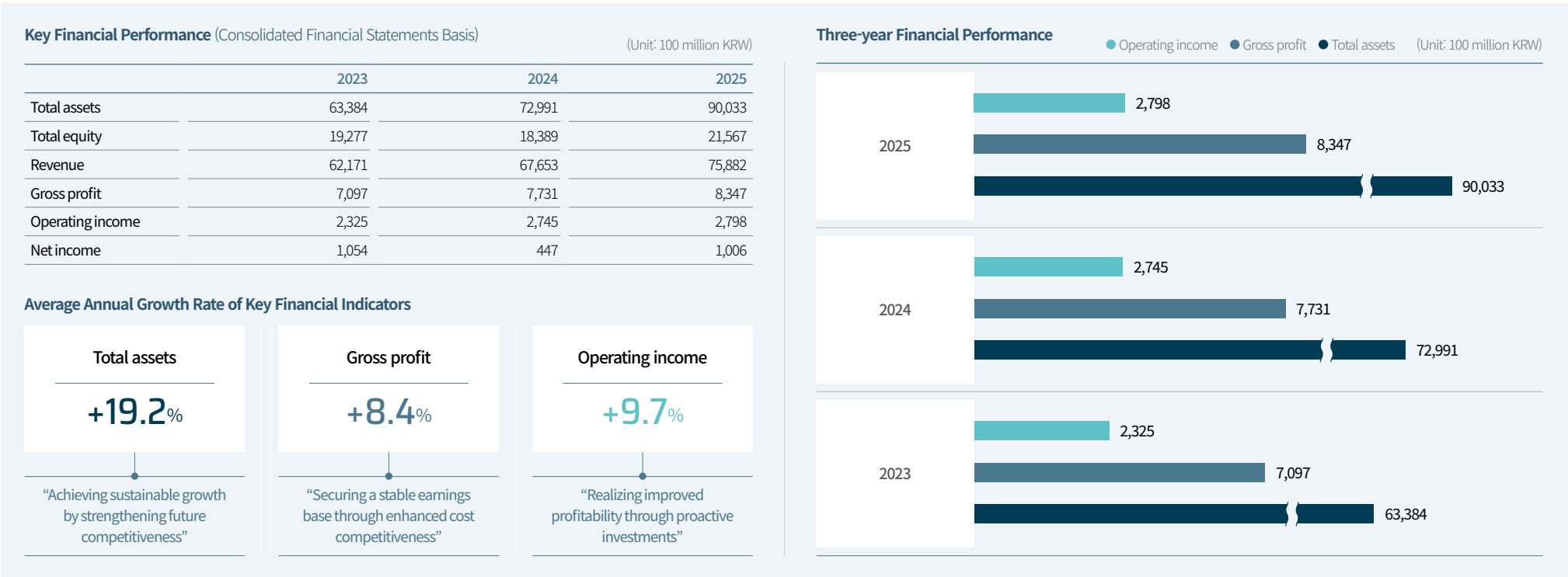
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# Company Overview

Since its foundation in 1962, LS Cable & System has developed, produced, and provided cable solutions, contributing to industrial development by establishing power grids and communications networks at home and abroad. The Company has been developing state-of-the-art products, including submarine and superconducting cables, to lead the global market while pursuing sustainable growth. Going forward, the Company will continue its efforts to become a global cable solution leader through customer-oriented and green businesses that meet customer requirements.

|                       |                                                                                                            |                  |                                                         |
|-----------------------|------------------------------------------------------------------------------------------------------------|------------------|---------------------------------------------------------|
| Company name          | LS Cable & System Ltd.                                                                                     | Primary products | Power/Communications/Industrial Solutions and Materials |
| CEO                   | Bon-Kyu Koo                                                                                                | Subsidiaries     | Domestic: 17, Overseas: 23                              |
| Date of establishment | May 1962                                                                                                   | Workforce        | 6,044                                                   |
| Head office           | 13 <sup>th</sup> -17 <sup>th</sup> Fl. LS Tower, 127 LS-ro, Dongan-gu, Anyang-si, Gyeonggi-do, South Korea | Credit rating    | Corporate Bonds: A+, Commercial Paper: A1               |





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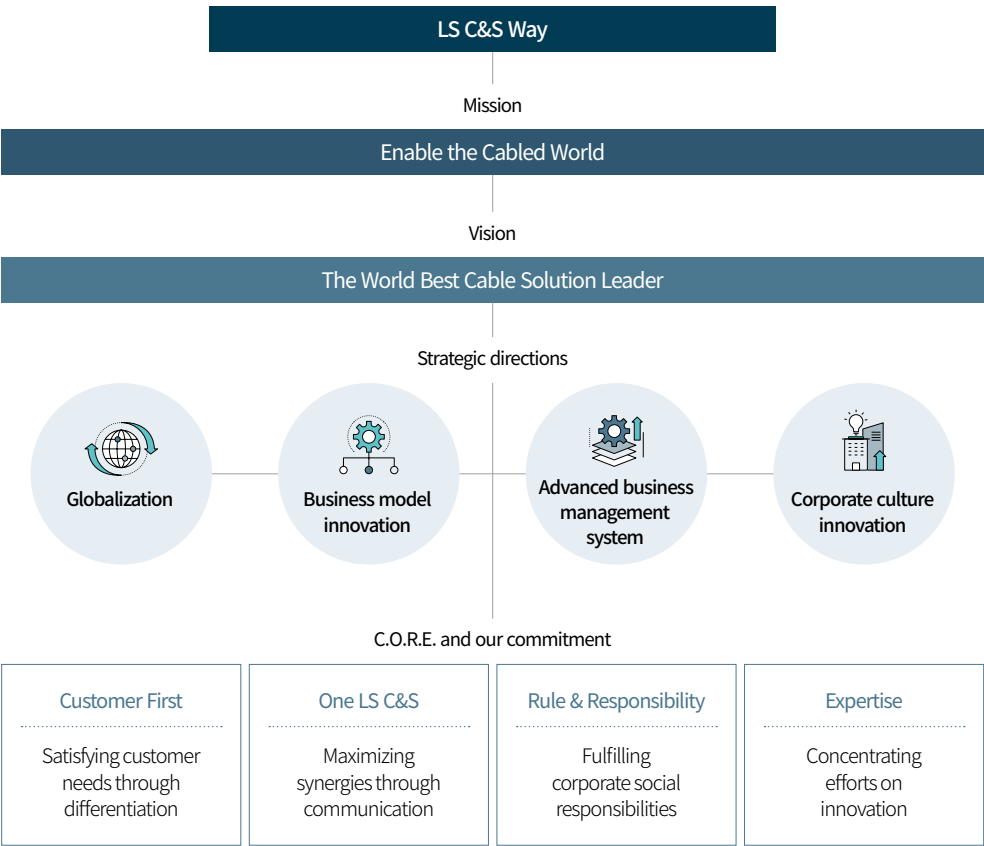
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# Vision and Management Philosophy

## Vision 2030

In 2020, looking to the coming decade, LS C&S declared its Vision 2030: The World Best Cable Solution Leader. We have been setting strategic directions based on this vision to further promote our global business, reimagine our business model through innovation, motivate our employees based on autonomous management, and establish an advanced system for business operations. We will concentrate our efforts on successfully implementing these strategies and realize the vision so that all of our stakeholders can benefit from the new value created by our cable solutions.



## LSpartnership

LSpartnership® is LS Group's management philosophy of Greater Value Together. LSpartnership means employees achieve superior performance through mutual respect, care, and trust. They cooperate based on open-mindedness and grow together with our stakeholders. LSpartnership was created with the participation of all members of LS Group and provides the philosophy upon which employees should act. It serves as a driving force that will bring about a new future.



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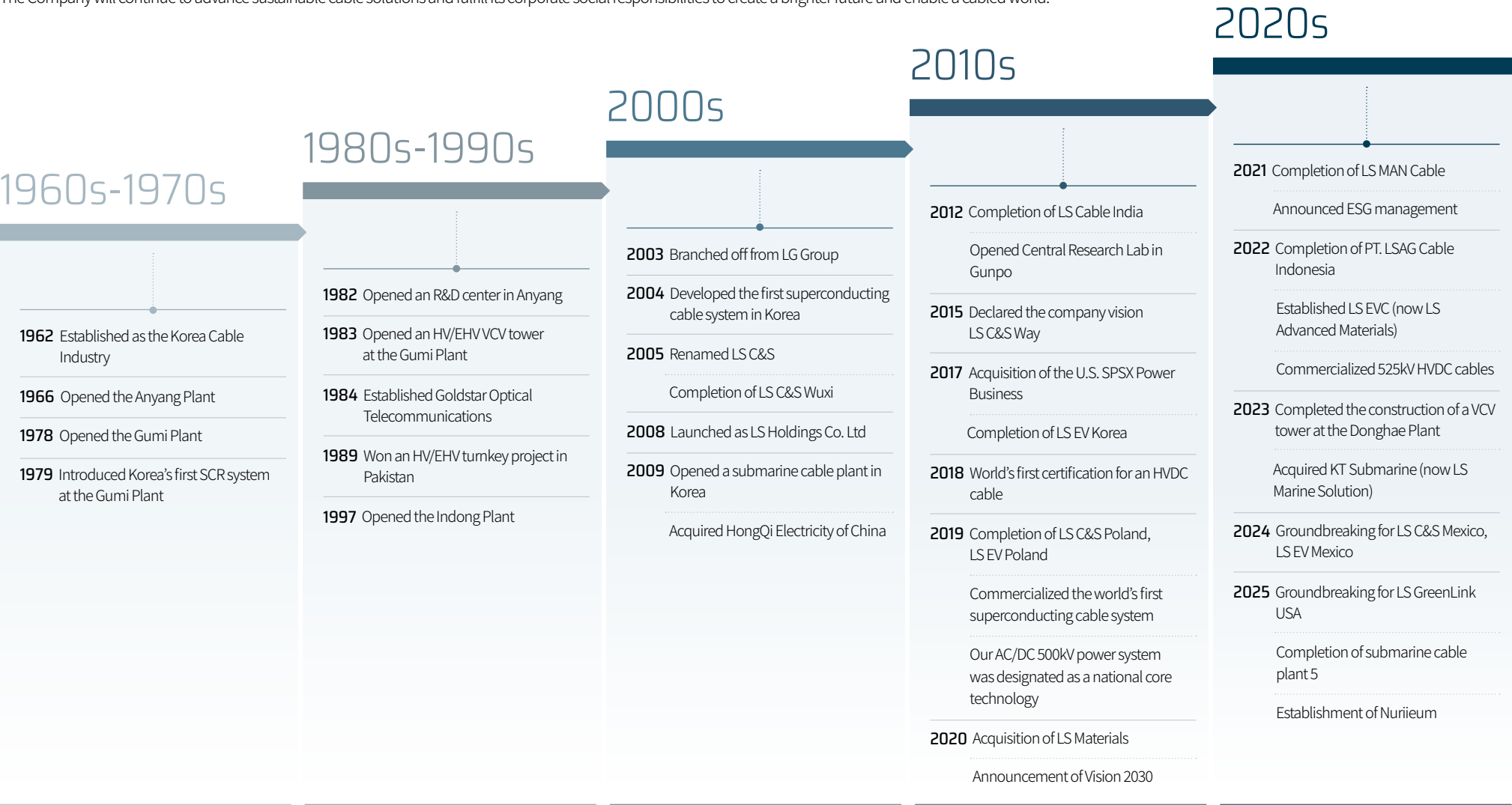
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# History

LS Cable & System has grown together with the nation's economic and industrial development through continuous innovation and a relentless pursuit of excellence. The Company will continue to advance sustainable cable solutions and fulfill its corporate social responsibilities to create a brighter future and enable a cabled world.



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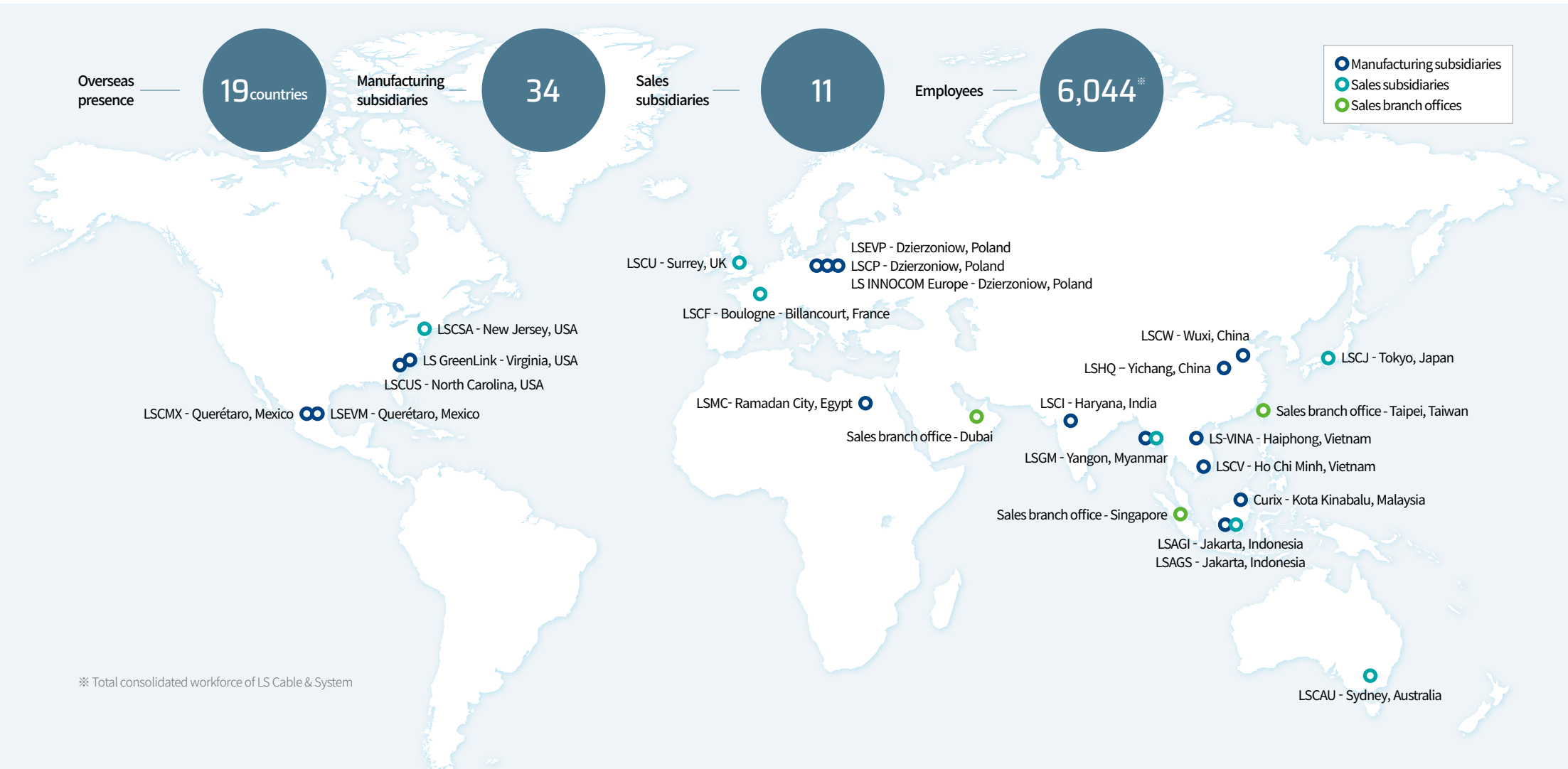
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Overseas business sites

LS Cable & System has enhanced the value of its core businesses by improving production efficiency, expanding its business portfolio, and establishing global partnerships across its overseas operations in response to evolving market conditions and customer needs. As of December 31, 2025, LS Cable & System operates 34 manufacturing subsidiaries and 11 sales subsidiaries and offices across 19 countries.



※ Total consolidated workforce of LS Cable & System

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# Global Network

## Domestic business sites

Headquartered in Anyang, LS Cable & System operates large-scale production facilities at our Gumi, Indong, and Donghae worksites located within major industrial complexes in South Korea. We will continue our efforts at maximizing stakeholder interests through the expansion of production facilities and R&D infrastructure.



**LS Cable & System**  
127 LS-ro, Dongan-gu, Anyang-si, Gyeonggi-do, South Korea  
**Head office**



**Gumi Plant**  
228, Suchul-daero, Gumi-si, Gyeongsangbuk-do, South Korea  
**Primary products** | HV/EHV and MV/LV cables, overhead transmission lines, bus ducts, SCR



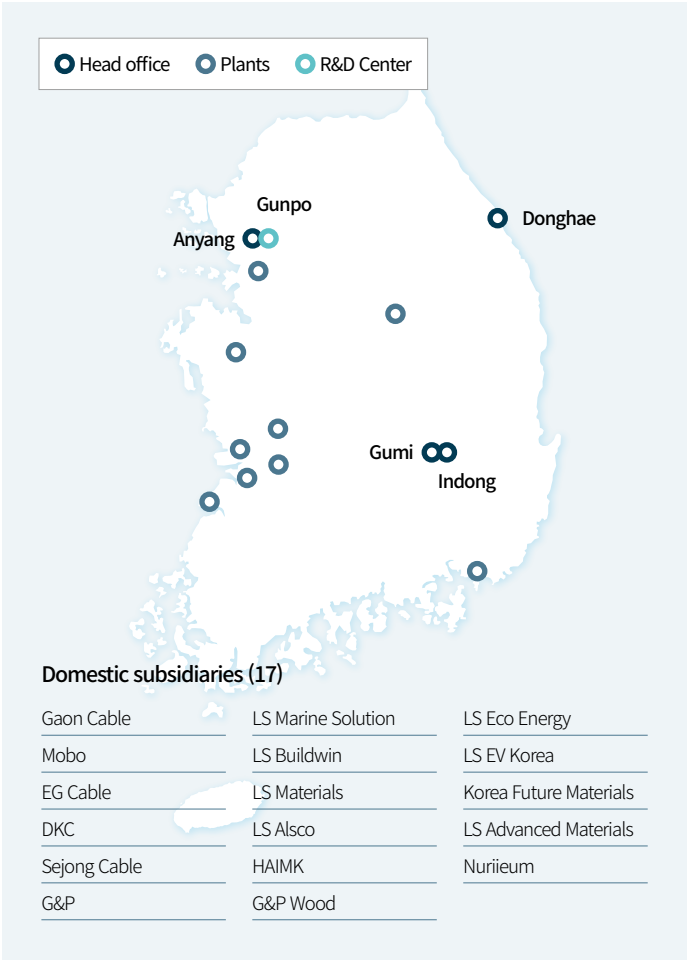
**Indong Plant**  
238, 3gongdan 2-ro, Gumi-si, Gyeongsangbuk-do, South Korea  
**Primary products** | Optical fiber, optical cables, industrial machinery, automotive cables, tubes



**Donghae Plant**  
215, Daedong-ro, Donghae-si, Gangwon-do, South Korea  
**Primary products** | Submarine cables, industrial specialty cables



**Central Research Lab**  
27, Gongdan-ro 140beon-gil, Gunpo-si, Gyeonggi-do, South Korea  
**Research areas** | Polymer and metal material processing technology, CAE, AC/DC cable system, installation/engineering



**Gaon Cable**  
120, LS-ro 45beon-gil, Gunpo-si, Gyeonggi-do, South Korea  
**Primary products** | Energy (EHV, Overhead, Distribution) / Communications (Optical Fiber, UTP)



**LS Eco Energy**  
215, Daedong-ro, Donghae-si, Gangwon-do, South Korea  
**Primary products** | Energy (EHV, Overhead, Distribution, Busduct) / Communications (Optical Fiber, UTP)



**LS Marine Solution**  
184, Jungang-daero, Dong-gu, Busan, South Korea  
**Primary products** | Installation and maintenance of submarine telecommunications and power cables



**LS Materials**  
39, LS-ro 116beon-gil, Dongan-gu, Anyang-si, Gyeonggi-do, South Korea  
**Primary products** | Ultracapacitor, Aluminum extrusion products



**Korea Future Materials**  
27, Gongdan-ro 140beon-gil, Gunpo-si, Gyeonggi-do, South Korea  
**Primary products** | SCR, LCCR, LSCR, Cuflake®





# Key Business Areas

Product details

## Business overview

### Energy

We offer comprehensive solutions for power transmission and distribution infrastructure, leveraging advanced onshore and offshore power grid technologies. Our product portfolio ranges from high-voltage (HV) and extra-high-voltage (EHV) cables to integrated power distribution systems, including bus ducts. These solutions ensure a stable power supply and facilitate efficient power distribution in large buildings and industrial facilities.

#### Application

We proactively promote carbon neutrality and sustainable power infrastructure through our products. Our submarine cables connect offshore wind farms to onshore power grids, while extra-high-voltage (EHV) underground cables serve as key solutions for ensuring a stable power supply in urban areas. Superconducting cables are also gaining attention as a next-generation green technology, offering significantly lower energy loss compared to conventional cables and enhancing overall grid efficiency.

#### Products

Extra-high-voltage (EHV) cables, submarine and overhead lines, power distribution solutions, and bus duct systems



### Telecommunication

The rapid growth of data traffic driven by technologies such as artificial intelligence (AI) and 5G is increasing the demand for more sophisticated and efficient telecommunications networks. In response, we provide optical communication solutions and network infrastructure that ensure stable, high-speed data transmission across the global IT environment.

#### Application

5G and wired communication networks are essential across data centers, smart buildings, and both private and public sectors—including railways, roads, and airports. Optical communication cables play a pivotal role in national infrastructure networks and large-scale data centers. Integrated power distribution systems help optimize network environments in office buildings and large-scale facilities. Additionally, RF feeder systems support mobile base stations and indoor relay systems by transmitting and receiving stable wireless signals, enabling the deployment of 5G and next-generation communication infrastructure.

#### Products

Optical communication, integrated power distribution, and RF feeder systems



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# Key Business Areas

Business overview

Industrial Solutions

Our cable products are equipped with specialized performance to meet diverse industrial requirements. They include industrial specialty cables with high resistance to temperature, pressure, heat, oil, and abrasion, ensuring stable performance in extreme environments; auto cables designed to meet the growing demand for green mobility; and equipment cables for industrial automation.

Application

These cables are used across a wide range of sectors, including automotive, railway, shipbuilding, robotics and automation, semiconductor, and display manufacturing, as well as aviation, plant, and heavy industries. Industrial specialty cables ensure reliable and stable power and signal transmission under high temperatures and humidity. Enhanced durability and electromagnetic interference shielding in our automotive cables support the advancement of green mobility technology. In addition, our industrial equipment and tubing products play a crucial role in boosting industrial competitiveness by enhancing efficiency and automation in smart factories and high-tech manufacturing processes.

Products

Industrial specialty cables, automotive cables, industrial equipment, and tubing products



Materials

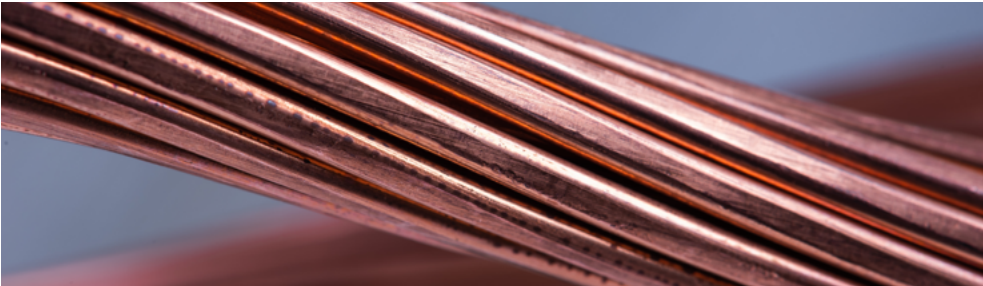
We have established a vertically integrated raw materials value chain for cable conductor manufacturing and processing while diversifying our portfolio beyond power and communications materials into low-carbon and next-generation advanced materials. Through the stable supply of high-purity copper and critical materials, including SCR<sup>1)</sup> and OFC<sup>2)</sup>, we contribute to strengthening the competitiveness of national industries. At the same time, we advance carbon neutrality and the circular economy by supplying environmentally friendly materials such as recycled copper and low-carbon aluminum.

Application

Our materials business supports a wide range of industries, from critical power and telecommunications infrastructure to next-generation, high-value applications, including electric vehicle (EV) batteries, traction motors, and permanent magnets. Our proprietary technologies in high-purity conductors and low-carbon metal materials maximize power transmission efficiency and infrastructure reliability while enabling higher performance and greater power density for future mobility solutions.

Products

Copper & AL Rod, LCCR (Low Carbon Copper Rod), Cuflake®, LSCR



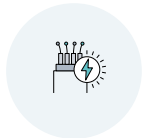
1) Southwire Continuous Rod    2) Oxygen Free Copper

# Business Highlights

## Global cable solution provider at the forefront of electrification

LS Cable & System plays a key role in the global supply network amid the ongoing energy transition and electrification. As the world becomes increasingly AI- and data-driven, with carbon neutrality and renewable energy reshaping the energy landscape, the Company delivers innovative cable solutions across a wide range of sectors—from onshore and offshore wind to EHV/HV power grids and EV infrastructure. The Company's high-voltage direct current (HVDC) transmission technology enhances power efficiency and supports the expansion of next-generation power and communication cables, serving the growing EV and battery markets. As a cable solution provider leading the era of electrification, the Company continues to pursue growth through technological innovation and the global expansion of its supply network.

### 2025 business achievements

|                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Expanding global markets and winning major contracts                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                       | Securing new growth engines                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                    | Strengthening technological competitiveness                                                                                                                                                                                                                                                        |
|  <p><b>Record-high order backlog</b><br/>                     As of year-end 2025<br/>                     7.63 trillion KRW<br/>                     22% increase year-on-year</p>                      |  <p><b>Expansion into the global AI data center market</b><br/>                     Supply of bus ducts to major U.S. technology companies</p>                     |  <p><b>Construction begins on LS GreenLink, the largest submarine cable plant in the United States</b><br/>                     Operations to begin in the first quarter of 2028</p> |  <p><b>Fifth plant building completed, expanding HVDC cable production capacity fourfold</b><br/>                     Largest HVDC<sup>1)</sup> production facility in Asia</p> |  <p><b>Commercialization of the world's first 500 kV HVDC cable</b><br/>                     Applied to the underground HVDC transmission section connecting the East Coast and the Seoul metropolitan area</p> |
|  <p><b>LS C&amp;S, LS Marine Solution Participation in the Japan–Korea submarine cable network (JAKO) project</b><br/>                     Projects led by Microsoft and Amazon Web Services (AWS)</p> |  <p><b>Ten consecutive offshore wind project awards in Taiwan</b><br/>                     Participation in Taiwan's offshore wind commercialization program</p> |  <p><b>LS Marine Solution Construction of the cable-laying vessel Inter Ocean and expansion/reconstruction of GL2030</b></p>                                                       |  <p><b>Establishing a power infrastructure and mobility components production base</b><br/>                     230 billion KRW investment in Mexico</p>                      |  <p><b>Commercialization of Korea's first MV fire-resistant cable</b><br/>                     Enhancing fire safety in data centers and semiconductor manufacturing facilities</p>                           |

1) High Voltage Direct Current transmission system



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# ESG Management

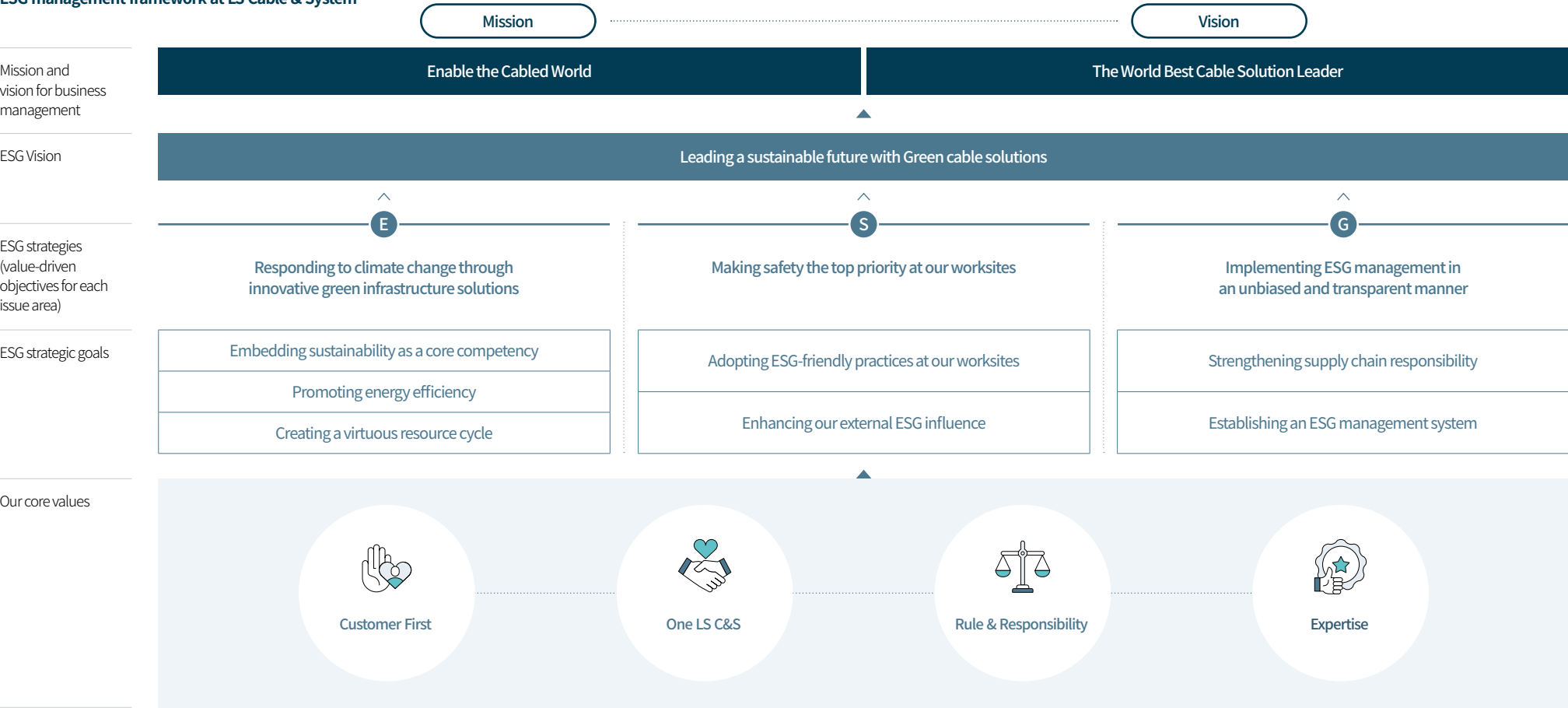
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# ESG Management Framework

## ESG management implementation strategy

As part of the efforts to become an ESG leader, we formulated a strategy to implement sustainable management and announced our ESG vision: Leading a Sustainable Future with Green Cable Solutions. An integrated approach was taken to conduct activities encompassing various aspects of the environment, society, and governance. To achieve our strategic goals, we identified tasks, and developed a mid- to long-term roadmap. This strategy will help us have a positive impact on society and the environment while strengthening our competitiveness in the business field.

### ESG management framework at LS Cable & System



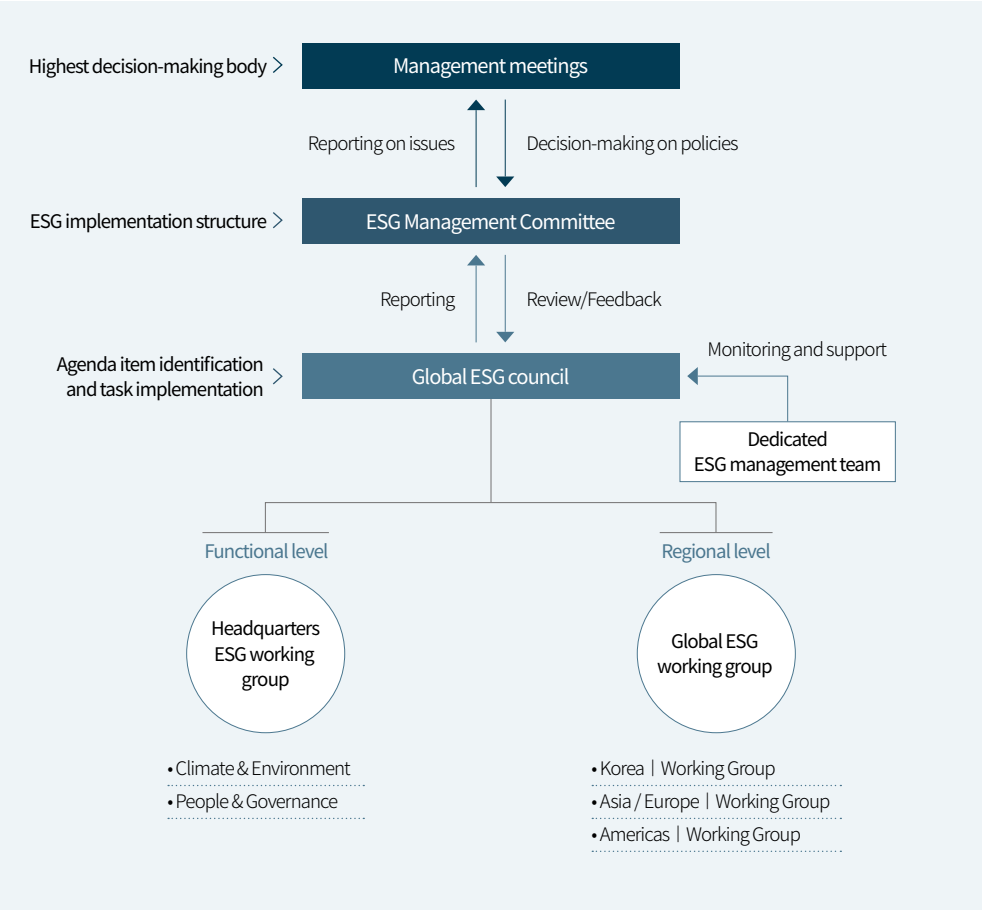


# ESG Management Framework

## ESG management committee

To integrate ESG into our business strategy and management practices, we established the ESG Management Committee in June 2021. The Committee, composed of internal members and external advisors, reviews strategies, mid- to long-term goals, and key matters related to ESG management across environmental, social, and governance areas. Significant agenda items reviewed by the Committee are reported to the Management Council.

### ESG governance structure



### Committee agenda items

|              | Agenda                                                                                                                                                                                                    | Participation rate |
|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| 2025. 2. 12  | <ol style="list-style-type: none"> <li>2050 carbon neutrality roadmap</li> <li>Sustainability report publication plan</li> <li>Compliance management plan</li> </ol>                                      | 100%               |
| 2025. 6. 11  | <ol style="list-style-type: none"> <li>Renewable Energy Transition Plan</li> <li>Supply chain assessment and improvement measures</li> <li>Review of Compliance Program (CP) Activities</li> </ol>        | 100%               |
| 2025. 8. 13  | <ol style="list-style-type: none"> <li>ESG regulatory trends</li> <li>Review of environmental, social, and governance initiatives</li> </ol>                                                              | 100%               |
| 2025. 12. 10 | <ol style="list-style-type: none"> <li>Progress on the 2050 carbon neutrality roadmap</li> <li>Results of establishing the human rights management framework</li> <li>2026 ESG management plan</li> </ol> | 100%               |

\* April and October 2025: Leadership meetings held to review ESG regulatory trends and discuss response measures

### Committee overview

|                    |                                                                    |                                       |
|--------------------|--------------------------------------------------------------------|---------------------------------------|
| Composition        | CEO, CFO, CSO and three external advisory members (a total of six) |                                       |
| Roles              | Decision-making on ESG management policy and strategy              | Review of mid- to long-term ESG goals |
|                    | Supervision of ESG activity plans and implementation results       | Oversight of ESG-related risks        |
| Operation          | Convening and holding the committee on a bimonthly basis           |                                       |
| Establishment date | June 2021                                                          |                                       |

# ESG Management Framework

## ESG policy

### ESG implementation declaration

We have formulated the ESG implementation declaration to affirm our commitment to taking concrete ESG actions:

1

Proactively support the 2050 carbon neutrality goal and promote innovation in green infrastructure.

- Enhance sustainability through the development of green products and solutions.
- Improve facilities and processes to maximize energy efficiency.
- Create a circular resource cycle by minimizing waste.

2

Fulfill corporate social responsibility and foster a safety-first workplace.

- Create work environments where safety is a top priority in support of ESG values.
- Expand the external impact of ESG through customer engagement and social contribution.

3

Implement fair and transparent ESG management.

- Promote responsible supply chain practices by building structured collaborations with business partners.
- Establish a trust-based ESG management system in cooperation with all stakeholders.

### Enhancement and revision of ESG policy framework

We establish and operate key policies to ensure consistent ESG implementation and effective risk management. Since introducing our ESG policies in 2024, we have reviewed and revised them to reflect evolving regulations and stakeholder expectations. These efforts have clarified policy scope and management systems while strengthening our ESG policy framework. Domestic and overseas subsidiaries also operate policies tailored to their business characteristics under a common ESG direction, while enhancing alignment with Group policies.

### Eight key ESG policies

|                                           |                                             |
|-------------------------------------------|---------------------------------------------|
| 1 Sustainability management policy        | 5 Supplier sustainability management policy |
| 2 Environmental management policy         | 6 Code of ethics                            |
| 3 Human rights commitment                 | 7 Anti-corruption policy                    |
| 4 Diversity, equity, and inclusion policy | 8 Tax policy                                |

### Scope of application



LS Cable & System



Domestic and overseas subsidiaries



Suppliers



Partners



Contractors

# ESG Management Framework

## Establishing a global ESG management framework

### ESG guidelines for subsidiaries

We established and distributed the Guidelines for Subsidiaries to strengthen ESG risk management across our domestic and overseas subsidiaries and promote a consistent ESG management approach. The guidelines serve as a common framework that supports subsidiaries in maintaining management systems aligned with the parent company's standards across key ESG areas, including environmental, social, and ethical issues. We also plan to extend the application of the guidelines to suppliers in the future. The guidelines outline key elements, implementation standards, and monitoring processes for subsidiaries based on the parent company's ESG management framework. The environmental section covers topics such as environmental management, energy and greenhouse gas emissions, resource and waste management, green products, and biodiversity. The social section addresses human rights and labor issues, including non-discrimination, working conditions, occupational health and safety, personal data protection, and grievance handling. We integrated the guidelines into our ESG management framework to clarify roles and responsibilities across the organization. A governance structure was also established under which the parent company and subsidiaries jointly implement and monitor ESG initiatives. Through this approach, we will continue to strengthen ESG management across the group.

### Global ESG council

To strengthen ESG management across the group, we expanded our existing Korea-based ESG working group to include both domestic and overseas subsidiaries. The Global ESG Working Group provides a forum for the parent company and subsidiaries to share common ESG priorities and align implementation efforts. The group also supports a coordinated approach to key initiatives, including Net Zero, RE100, ESG reporting, and external ESG assessments. Through the working group, participating companies share progress on ESG initiatives, exchange best practices, and discuss challenges related to data management and initiative implementation. This helps improve the effectiveness of ESG implementation. Going forward, the Global ESG Working Group will meet twice a year to incorporate key outcomes into the group's ESG strategy and policies and further strengthen ESG capabilities across subsidiaries.

## ESG performance management and reporting

### ESG performance management

We established a performance management framework to embed sustainability into our business and drive value creation. ESG KPIs focused on key areas including environment and occupational health and safety are incorporated into executive performance evaluations. We will continue to identify ESG risks and opportunities and further strengthen our performance evaluation framework to enhance ESG management.

### ESG reporting

Each year, we disclose sustainability-related information, including performance data, through the Sustainability Report and Annual Report. The ESG Management Team oversees data collection and report preparation. The report undergoes both internal and external (third-party) assurance and is reviewed by the ESG Management Committee prior to publication. Operating sites in 19 countries, we collect information on a broad range of environmental and social topics. In light of this, we consider the appropriateness of our data collection processes and the completeness of reported data to be key reporting risks. To address these risks, we maintain an internal sustainability data collection system and will continue to enhance our data verification procedures.

### Enhancing external ESG ratings

The criteria used in external ESG assessments continue to evolve in response to changing regulations and stakeholder expectations. To remain competitive and keep pace with these changes, we actively work to improve our results in key ESG assessments. Each year, we analyze assessment results to identify our strengths and areas for improvement. Based on the findings, we develop improvement initiatives and prioritize them according to their significance, urgency, and complexity. The initiatives are implemented in a phased manner, and progress is reported to the ESG Management Committee.

# ESG Management Framework

## Value chain ESG risk and opportunity management

We manage environmental and social impacts, as well as business risks and opportunities, across our value chain, from raw material sourcing and manufacturing to installation, use, and recycling. We identify key ESG issues throughout the value chain, including raw material procurement, energy and environmental management, product safety, customer requirements, and end-of-life recycling, and implement tailored actions. These efforts align with industry trends toward responsible sourcing, low-carbon products, supply chain transparency, and a circular economy.

|                     | Raw material extraction and processing                                                                                                                                                                                                                                                                                                                                                                   | Cable manufacturing                                                                                                                                                                                                                                                                                                                                                                                               | Cable installation                                                                                                                                                                                                                                                                                                                | End-of-life management (Circular economy)                                                                                                                                                                                                                                                                                                                  |
|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Impact              | <ul style="list-style-type: none"> <li>Greenhouse gas emissions and water and soil pollution may occur during raw material extraction and processing</li> <li>Human rights and labor issues may arise in certain high-risk regions</li> <li>Biodiversity loss and other environmental impacts may occur</li> </ul>                                                                                       | <ul style="list-style-type: none"> <li>Energy use and GHG emissions occur during the manufacturing process</li> <li>Air pollutants, wastewater, waste, and chemical substances require proper management</li> <li>Industrial safety and workplace-related impacts may occur</li> </ul>                                                                                                                            | <ul style="list-style-type: none"> <li>Safety incidents and environmental impacts may occur during installation and use</li> <li>Energy consumption impacts may arise depending on product efficiency and durability</li> <li>Eco-friendly and high-efficiency products can contribute to environmental sustainability</li> </ul> | <ul style="list-style-type: none"> <li>Waste cables and metal scrap are generated and require proper treatment</li> <li>Environmental impacts may arise depending on the level of waste management and recycling</li> <li>Environmental impacts can be reduced through circular economy activities</li> </ul>                                              |
| Risk                | <ul style="list-style-type: none"> <li>Increased response costs due to supply chain human rights and environmental risks and tightening regulations</li> <li>Procurement strategies may need to change in response to the U.S. IRA and resource supply regulations in major countries</li> <li>Increased management costs associated with expanding responsible mineral sourcing requirements</li> </ul> | <ul style="list-style-type: none"> <li>Expanded requirements for product carbon emissions management and reporting following the introduction of the EU CBAM</li> <li>Increased data management burden due to expanded carbon disclosure requirements (e.g., ISSB and customer requests)</li> <li>Operational risks associated with tightening environmental and safety regulations and non-compliance</li> </ul> | <ul style="list-style-type: none"> <li>Legal and reputational risks may arise from product defects and safety incidents during installation</li> <li>Increasing customer requirements for product safety and environmental performance</li> <li>Quality issues may lead to additional costs and reduced customer trust</li> </ul> | <ul style="list-style-type: none"> <li>Increased response burden due to tightening waste and recycling regulations</li> <li>Increased collection and recycling costs</li> <li>Environmental and cost risks associated with inadequate circular economy systems</li> </ul>                                                                                  |
| Opportunity         | <ul style="list-style-type: none"> <li>Enhanced customer trust and corporate reputation through the establishment of a responsible supply chain</li> <li>Strengthened competitiveness by expanding the use of recycled and low-carbon materials</li> <li>Improved ability to meet global customer requirements through greater supply chain transparency</li> </ul>                                      | <ul style="list-style-type: none"> <li>Cost savings through improved energy efficiency and the transition to low-carbon processes</li> <li>Enhanced market competitiveness through product carbon footprint management (LCA and EPD)</li> <li>Strengthened export competitiveness and CBAM readiness through low-carbon products and process transitions</li> </ul>                                               | <ul style="list-style-type: none"> <li>Growing cable demand driven by grid expansion and renewable energy deployment</li> <li>Enhanced market competitiveness through high-efficiency and low-carbon products</li> <li>Stronger long-term customer relationships based on product reliability and sustainability</li> </ul>       | <ul style="list-style-type: none"> <li>Expanded use of recycled materials in response to EU circular economy policies</li> <li>Reduced carbon emissions and improved regulatory readiness through expanded use of recycled-material-based products</li> <li>Enhanced operational efficiency through the establishment of a circular value chain</li> </ul> |
| Mitigation measures | <ul style="list-style-type: none"> <li>Conduct supplier ESG assessments and operate a supplier code of conduct</li> <li>Strengthen responsible mineral sourcing and high-risk supplier management</li> <li>Expand the use of recycled raw materials and enhance supplier capabilities</li> </ul>                                                                                                         | <ul style="list-style-type: none"> <li>Operate greenhouse gas and energy management systems</li> <li>Strengthen investments in pollution prevention facilities and chemical substance management</li> <li>Conduct LCAs and obtain Environmental Product Declarations (EPDs)</li> </ul>                                                                                                                            | <ul style="list-style-type: none"> <li>Ensure stable project execution based on ISO 21502</li> <li>Apply safety standards throughout the installation and operation stages</li> <li>Provide product environmental information in response to customer requirements</li> </ul>                                                     | <ul style="list-style-type: none"> <li>Operate cable scrap collection and recycling systems</li> <li>Strengthen collaboration with recycling partners</li> <li>Expand the use of recycled raw materials and enhance waste management.</li> </ul>                                                                                                           |



# ESG Highlights

## Environment

### CDP Leadership Level

First in Korea's wire and cable industry  
 Achieved an A- rating



### 60% transition to renewable energy

Donghae 100%  
 Gumi 67.3%  
 Indong 39.7%



\* Renewable Electricity Share: 27% (Consolidated basis)

### Zero waste-to-landfill certification

Gumi: Gold level  
 Donghae: Verification of 100% waste diversion from landfill  
 Indong: Verification of 92% waste diversion from landfill



### Obtained EPD International certification

OFC, SCR, Fiber optic unit



### Integrating ESG into business decision-making

ESG review requirements added to the company's investment management regulations



## Society & People

### Human rights impact assessment

Completed across all domestic sites



### Supply chain ESG due diligence

Identification of high-risk suppliers,  
 document-based ESG assessments, and on-site audits



### Employment of persons with disabilities

Establishment of Nurieum,  
 a subsidiary-type standard workplace



### Growth in female representation

Female employee ratio: +1.8% avg. annual growth  
 Female manager ratio: +8.3% avg. annual growth



### Supplier ESG consulting

ESG issue reviews and consulting support





## Governance

### Publication of the compliance report

Compliance activities and future plans included



### Compliance training for subsidiaries

Provided to 10 subsidiaries twice a year



### ISO 27001 certification

Implementation of a new information security management system





### Improved ESG ratings

LS Materials: Silver  
 LS EV Korea: Silver






### UNGC membership and commitment

Participation in six working groups  
 (ESG, environment, human rights, anti-corruption,  
 sustainable finance, and social contribution)



# Stakeholder Engagement

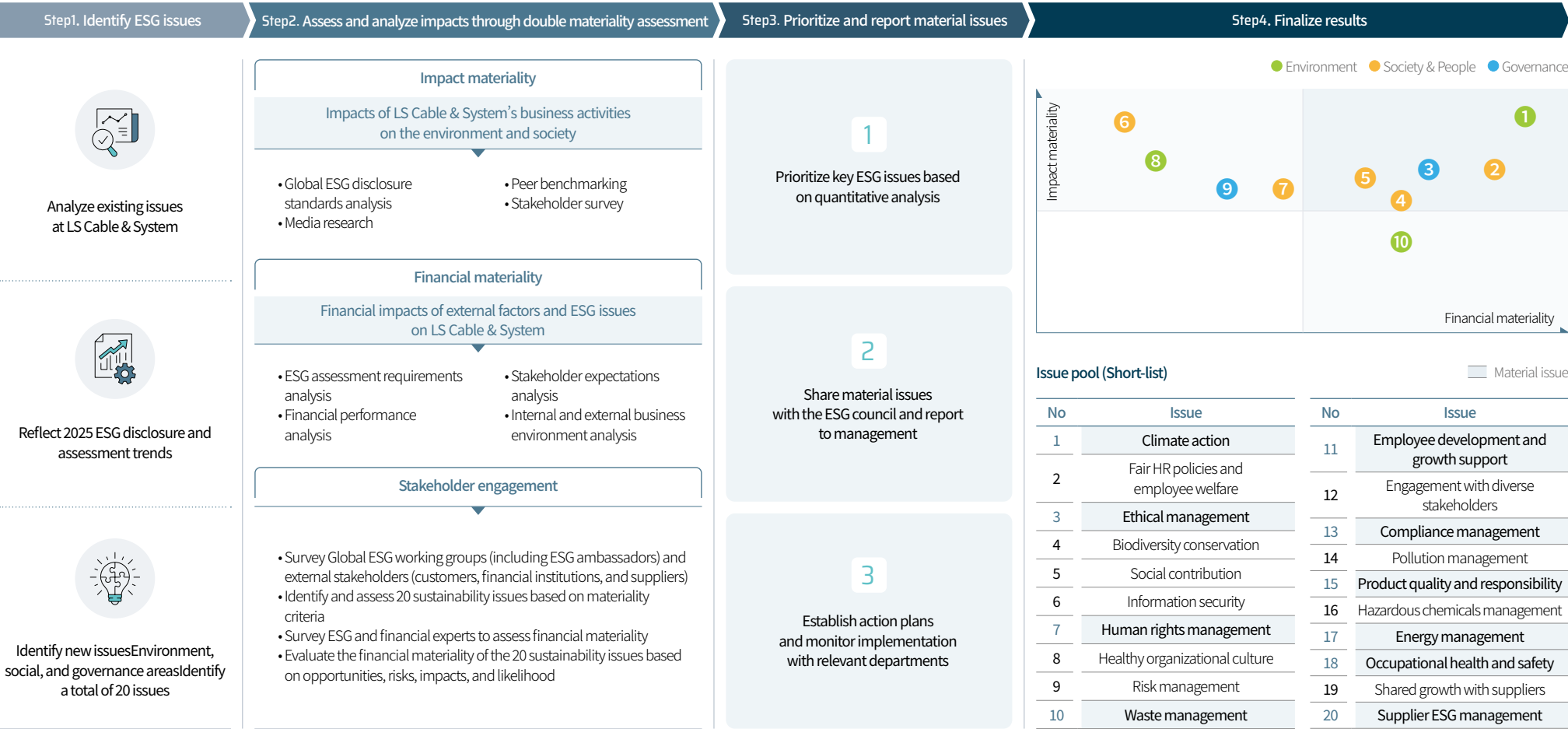
As a technology-, capital-, and labor-intensive industry, we create value through collaboration with diverse stakeholders. Considering our mutual influence and interdependence, we have identified seven key stakeholder groups and established communication channels to gather their views. Stakeholder feedback is incorporated into management activities, including double materiality assessments and key strategy development.

| Stakeholder                                                                                                            | Key concerns                                                                                                                                                                                                          | Communication channels                                                                                                                                                                                                                                   | LS Cable & System's response                                                                                                                                                                                                                                                                                                        |
|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  Employees                            | <ul style="list-style-type: none"> <li>Fair performance evaluation</li> <li>Capability development</li> <li>Employee health and safety</li> </ul>                                                                     | <ul style="list-style-type: none"> <li>CEO communication programs (Live Talk, Town Hall meetings)</li> <li>Employee council, labor-management council, HR briefings</li> <li>In-house broadcasting (Newspresso), company magazine (Open Mind)</li> </ul> | <ul style="list-style-type: none"> <li>Capability development programs to foster a self-directed growth culture</li> <li>Employee welfare programs</li> <li>Occupational health and safety enhancement through various safety programs</li> </ul>                                                                                   |
|  Customers                            | <ul style="list-style-type: none"> <li>Product quality and safety</li> <li>Research and development</li> <li>ESG disclosure</li> </ul>                                                                                | <ul style="list-style-type: none"> <li>Customer satisfaction surveys, on-site visits</li> <li>Customer complaint handling process</li> <li>Participation in domestic and international exhibitions (BIXPO 2025, DCWA 2025)</li> </ul>                    | <ul style="list-style-type: none"> <li>Prompt response to product and installation-related claims</li> <li>Customer satisfaction surveys</li> <li>Provision of environmental product information (LCA, carbon footprint)</li> </ul>                                                                                                 |
|  Government and related organizations | <ul style="list-style-type: none"> <li>Compliance with environmental, human rights, and safety regulations</li> <li>Creation of economic value</li> <li>Transparent tax practices and corporate disclosure</li> </ul> | <ul style="list-style-type: none"> <li>Policy meetings with the Ministry of Trade, Industry and Energy</li> <li>Participation in domestic and global initiatives</li> </ul>                                                                              | <ul style="list-style-type: none"> <li>Reporting on key industry issues</li> <li>Reviewing participation in government-led projects, including R&amp;D initiatives</li> <li>Ensuring transparent financial disclosures and tax compliance</li> <li>Participating in the United Nations Global Compact (UNGC)</li> </ul>             |
|  Shareholders and investors          | <ul style="list-style-type: none"> <li>Enhancing shareholder value</li> <li>Financial performance and disclosures</li> <li>Risk management</li> </ul>                                                                 | <ul style="list-style-type: none"> <li>Investor relations (IR) meetings</li> <li>Earnings announcements and disclosures</li> <li>Posting of investment information on the official website</li> </ul>                                                    | <ul style="list-style-type: none"> <li>Strengthening capabilities through business diversification</li> <li>Reviewing strategies for stable profit generation</li> <li>Diversifying disclosure and communication channels</li> </ul>                                                                                                |
|  Local communities                  | <ul style="list-style-type: none"> <li>Social contribution activities</li> <li>Revitalization of the local economy</li> <li>Minimizing negative impacts on local communities near business sites</li> </ul>           | <ul style="list-style-type: none"> <li>Community meetings (e.g. offshore wind power projects)</li> <li>Nature conservation activities in collaboration with local communities</li> <li>Volunteer groups organized by each business site</li> </ul>       | <ul style="list-style-type: none"> <li>Operating proactive communication and response systems with local communities</li> <li>Conducting employee volunteering and social contribution activities (e.g. marine cleanup)</li> <li>Managing green spaces and natural ecosystems around water sources near production sites</li> </ul> |
|  Suppliers                          | <ul style="list-style-type: none"> <li>Shared growth</li> <li>Fair trade and treatment</li> <li>Addressing supplier difficulties</li> </ul>                                                                           | <ul style="list-style-type: none"> <li>Supplier meetings</li> <li>Operation of the E-Pro platform for suppliers</li> <li>Operation of grievance handling channels</li> </ul>                                                                             | <ul style="list-style-type: none"> <li>Introduction and compliance with fair trade regulations</li> <li>Operation of financial and technical support programs for mutual growth</li> <li>Implementation of supplier ESG self-assessments</li> </ul>                                                                                 |
|  Media                              | <ul style="list-style-type: none"> <li>Business performance and management results</li> <li>ESG management and sustainability strategy</li> </ul>                                                                     | <ul style="list-style-type: none"> <li>Press releases</li> <li>Official website and social media (Newsroom, YouTube, LinkedIn)</li> </ul>                                                                                                                | <ul style="list-style-type: none"> <li>Support for media coverage and media invitation events (Value-up Day)</li> <li>Development and distribution of media content</li> </ul>                                                                                                                                                      |

# Determination of Reporting Topics

Double materiality assesses the significance of issues by considering not only our impacts on the environment and society, but also the effects of sustainability-related issues on our financial performance and position. We conduct an annual double materiality assessment to identify issues of key stakeholder interest and business relevance. Based on the results, we prioritize material issues and disclose key impacts and management approaches through our Sustainability Report.

## Double materiality assessment process



# Determination of Reporting Topics

## Materiality assessment results

From a pool of 20 issues, we identified 10 material issues with the highest relevance through a scoring process that considered peer material issues, ESG rating and disclosure initiative requirements, and internal references.

●●● High impact   ●●○ Medium impact   ●○○ Low impact

| Material issue<br>(Ranking of year-over-year changes) | Environmental and social impacts |                    |                    |          |            |                | Financial impacts                 |                    |            |                   | Double<br>materiality<br>assessment<br>results | GRI Index                          | Reporting<br>page |
|-------------------------------------------------------|----------------------------------|--------------------|--------------------|----------|------------|----------------|-----------------------------------|--------------------|------------|-------------------|------------------------------------------------|------------------------------------|-------------------|
|                                                       | Impacttype                       | Scope of<br>impact | Scale of<br>impact | Severity | Likelihood | Overall result | Impacttype                        | Scale of<br>impact | Likelihood | Overall<br>result |                                                |                                    |                   |
| 1 Climate action<br>(No change)                       | Positive – Actual                | ●●●                | ●●●                | ●●●      | ●●●        | ●●●            | Opportunity – Market              | ●●●                | ●●●        | ●●●               | ●●●                                            | GRI 305                            | 38-47             |
| 2 Occupational health and safety (+4)                 | Negative – Potential             | ●●●                | ●●●                | ●●●      | ●●●        | ●●●            | Risk – Regulatory                 | ●●●                | ●●●        | ●●●               | ●●●                                            | GRI 403                            | 61-67             |
| 3 Compliance management<br>(No change)                | Negative – Actual                | ●●○                | ●●●                | ●●○      | ●●●        | ●●●            | Risk – Regulatory                 | ●●○                | ●●●        | ●●●               | ●●●                                            | GRI 205, GRI 206                   | 89-92             |
| 4 Employee development and growth support (-2)        | Positive – Potential             | ●●○                | ●●○                | ●●○      | ●●●        | ●●○            | Opportunity – Reputation          | ●●○                | ●●○        | ●●●               | ●●●                                            | GRI 401, GRI 404                   | 56-57             |
| 5 Human rights management (+1)                        | Positive – Potential             | ●●●                | ●●○                | ●●●      | ●●○        | ●●●            | Opportunity – Market / Reputation | ●●●                | ●●○        | ●●●               | ●●●                                            | GRI 405, GRI 406, GRI 408, GRI 409 | 68-72             |
| 6 Product quality and responsibility (-3)             | Negative – Actual                | ●●○                | ●●●                | ●●●      | ●●○        | ●●○            | Opportunity – Reputation          | ●●○                | ●●●        | ●●○               | ●●○                                            | Non-GRI                            | 73-77             |
| 7 Supplier ESG management<br>(No change)              | Negative – Potential             | ●●○                | ●○○                | ●●●      | ●●○        | ●●○            | Opportunity – Market              | ●●○                | ●●○        | ●●○               | ●●○                                            | GRI 308, GRI 414                   | 80-81             |
| 8 Energy management (+4)                              | Positive – Actual                | ●●○                | ●●●                | ●○○      | ●●●        | ●●○            | Opportunity – Market              | ●●○                | ●○○        | ●●○               | ●●○                                            | GRI 302                            | 48-49             |
| 9 Ethical management (New)                            | Positive – Potential             | ●●○                | ●○○                | ●●○      | ●●○        | ●●○            | Opportunity – Regulatory / Market | ●○○                | ●○○        | ●○○               | ●●○                                            | GRI 205                            | 93-95             |
| 10 Waste management (New)                             | Negative – Actual                | ●●○                | ●○○                | ●○○      | ●●○        | ●●○            | Risk – Regulatory                 | ●○○                | ●○○        | ●●○               | ●●○                                            | GRI 306                            | 35-36             |

# Determination of Reporting Topics

## Management approaches to material issues

|    | Material issue                          | Environmental and social impacts                                                                                                                                                                                                                                                                       | Financial impacts                                                                                                                                                                                                                                                                                                                            | LS Cable & System's responses                                                                                                                                                                                                                                                        |
|----|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | Climate action                          | <ul style="list-style-type: none"> <li>Contribute to climate change mitigation through greenhouse gas reduction and the transition to renewable energy</li> <li>Strengthen long-term relationships with global customers</li> </ul>                                                                    | <ul style="list-style-type: none"> <li>Reduced carbon emission costs through lower greenhouse gas emissions</li> </ul>                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>Establish a mid- to long-term roadmap for achieving the 2050 Carbon Neutrality Goal</li> <li>Disclose greenhouse gas emissions on a consolidated basis. Conduct product carbon footprint assessments and obtain EPD certifications</li> </ul> |
| 2  | Occupational health and safety          | <ul style="list-style-type: none"> <li>Reputational damage resulting from industrial accidents caused by non-compliance with safety standards</li> <li>Damage to employee health due to inadequate management of hazardous substances.</li> </ul>                                                      | <ul style="list-style-type: none"> <li>Increased medical expenses and employee welfare costs due to health and safety risks</li> </ul>                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>Strengthen safety and health management systems and expand investments</li> <li>Conduct regular management of workplace hazards and risks.</li> </ul>                                                                                         |
| 3  | Compliance management                   | <ul style="list-style-type: none"> <li>Legal violations and penalties resulting from non-compliance with laws and regulations</li> <li>Spread of corruption and loss of social trust due to weak organizational controls</li> </ul>                                                                    | <ul style="list-style-type: none"> <li>Fines, penalties, and regulatory costs resulting from violations of laws and regulations</li> <li>Additional management and indirect costs incurred during investigations and response processes</li> </ul>                                                                                           | <ul style="list-style-type: none"> <li>Operate a compliance management system and the Risk Self-Check Program</li> <li>Obtain ISO 37301 certification for the compliance management system.</li> </ul>                                                                               |
| 4  | Employee development and growth support | <ul style="list-style-type: none"> <li>Accumulation of human capital through enhanced organizational capabilities</li> <li>Improved industrial competitiveness through strengthened employee competencies</li> </ul>                                                                                   | <ul style="list-style-type: none"> <li>Enhanced organizational productivity and long-term competitiveness through strategic talent development and strengthened internal capabilities</li> </ul>                                                                                                                                             | <ul style="list-style-type: none"> <li>Promote a self-directed growth culture through IDPs and leader coaching</li> <li>Foster a learning-friendly environment through the LS Learning Platform and learning points</li> </ul>                                                       |
| 5  | Human rights management                 | <ul style="list-style-type: none"> <li>Creation of social value through the protection of workers' rights and the provision of safe working conditions</li> <li>Establishment of a sustainable industrial ecosystem through the expansion of human rights standards across the supply chain</li> </ul> | <ul style="list-style-type: none"> <li>Expanded business opportunities through compliance with customer and global human rights requirements</li> <li>Improved productivity and competitiveness through enhanced organizational trust and employee satisfaction</li> </ul>                                                                   | <ul style="list-style-type: none"> <li>Introduce and conduct human rights impact assessments</li> <li>Provide regular human rights education for all employees</li> <li>Sign the CEO Human Rights Declaration.</li> </ul>                                                            |
| 6  | Product quality and responsibility      | <ul style="list-style-type: none"> <li>Safety incidents and environmental damage caused by product defects</li> <li>Loss of industrial competitiveness and social trust due to reduced product reliability</li> </ul>                                                                                  | <ul style="list-style-type: none"> <li>Reputational damage arising from the supply of products vulnerable to safety and health issues</li> <li>Increased costs associated with litigation and recalls in the event of customer harm</li> </ul>                                                                                               | <ul style="list-style-type: none"> <li>Establish a roadmap for enhancing quality management</li> <li>Reinforce quality control for mass-produced products</li> </ul>                                                                                                                 |
| 7  | Supplier ESG management                 | <ul style="list-style-type: none"> <li>Social and environmental impacts spreading across the supply chain due to supplier ESG risks</li> <li>Ecosystem disruption and labor rights violations resulting from inadequate supplier management</li> </ul>                                                 | <ul style="list-style-type: none"> <li>Production disruptions caused by transaction suspensions with specific countries or suppliers due to environmental and human rights issues</li> <li>Increased initial investment costs for establishing a supply chain due diligence system</li> </ul>                                                | <ul style="list-style-type: none"> <li>Strengthen supplier ESG capabilities</li> <li>Conduct supplier ESG assessments</li> <li>Perform regular supplier evaluations and on-site inspections</li> </ul>                                                                               |
| 8  | Energy management                       | <ul style="list-style-type: none"> <li>Reduced resource consumption and environmental burden through lower energy use</li> <li>Enhanced competitiveness and contribution to carbon neutrality through the establishment of an energy management system</li> </ul>                                      | <ul style="list-style-type: none"> <li>Reduced operating costs and enhanced competitiveness through improved energy efficiency</li> <li>Expanded market access and export opportunities by responding to carbon regulations and customer requirements</li> </ul>                                                                             | <ul style="list-style-type: none"> <li>Utilize the Factory Energy Management System (FEMS)</li> <li>Expand solar power generation facilities</li> </ul>                                                                                                                              |
| 9  | Ethical management                      | <ul style="list-style-type: none"> <li>Creation of economic value through transparent transactions and compliance</li> <li>Fulfillment of social responsibility through stakeholder trust and sustainable partnerships</li> </ul>                                                                      | <ul style="list-style-type: none"> <li>Enhanced market competitiveness through improved corporate reputation and ESG ratings</li> </ul>                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>Revise the Code of Ethics</li> <li>Operate internal cyber reporting channels and address reported cases</li> </ul>                                                                                                                            |
| 10 | Waste management                        | <ul style="list-style-type: none"> <li>Environmental degradation, including soil and water pollution, resulting from inadequate waste treatment</li> <li>Deterioration of local living conditions and increased civil complaints</li> </ul>                                                            | <ul style="list-style-type: none"> <li>Fines and regulatory costs resulting from non-compliance with waste treatment standards</li> <li>Production disruptions caused by civil complaints and opposition to waste treatment facilities</li> <li>Indirect costs arising from deterioration in local community trust and reputation</li> </ul> | <ul style="list-style-type: none"> <li>Establish and implement waste recycling targets</li> </ul>                                                                                                                                                                                    |



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 Appendix

# LS Cable & System and the UN SDGs

The UN Sustainable Development Goals (SDGs), adopted by member countries at the 70th UN General Assembly in September 2015, comprise 17 goals that the international community pursues together to realize sustainable development. LS Cable & System, in line with the spirit of “leaving no one behind,” is committed to proactively addressing the universal challenges facing humanity.

| UN SDGs                                                                                                                              | LS Cable & System's efforts                                                                                                                                                                                                                                                                                                                                                                                                                      | Reporting pages |
|--------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
|  <b>Goal 1</b><br>No poverty                        | <ul style="list-style-type: none"> <li>Providing financial support to vulnerable communities through volunteer activities at business sites</li> </ul>                                                                                                                                                                                                                                                                                           | 85, 86          |
|  <b>Goal 3</b><br>Good health and well-being        | <ul style="list-style-type: none"> <li>Providing maternity protection programs, including parental leave, workplace childcare centers, and lactation facilities</li> <li>Providing medical expense support for employees and their families</li> </ul>                                                                                                                                                                                           | 59              |
|  <b>Goal 4</b><br>Quality education                 | <ul style="list-style-type: none"> <li>Enhancing job expertise and core competencies through structured development programs</li> <li>Advancing learning systems through Individual Development Plans (IDPs), the LS Learning Platform, job-specific skill development guides, and LS-Tube content</li> </ul>                                                                                                                                    | 56-57           |
|  <b>Goal 5</b><br>Gender equality                   | <ul style="list-style-type: none"> <li>Increasing female representation in management</li> <li>Prohibiting gender-based discrimination in recruitment, evaluation, compensation, and promotion</li> </ul>                                                                                                                                                                                                                                        | 71              |
|  <b>Goal 6</b><br>Clean water and sanitation      | <ul style="list-style-type: none"> <li>Monitoring water use and wastewater discharge; tracking emissions of water pollutants</li> </ul>                                                                                                                                                                                                                                                                                                          | 32-33           |
|  <b>Goal 7</b><br>Affordable and clean energy     | <ul style="list-style-type: none"> <li>Contributing to the global renewable energy industry by producing and supplying cables for offshore wind and solar power</li> <li>Using renewable energy at the plants in Donghae and Indong through green premium programs and rooftop solar power systems</li> <li>Improving energy efficiency through facility upgrades, leak prevention, energy optimization, and operational enhancements</li> </ul> | 12, 14, 45, 49  |
|  <b>Goal 8</b><br>Decent work and economic growth | <ul style="list-style-type: none"> <li>Revitalizing the local economy and creating jobs through large-scale investment in expanding the submarine cable plant in Donghae</li> <li>Supporting the growth of suppliers through financial assistance programs</li> </ul>                                                                                                                                                                            | 82, 85          |

| UN SDGs                                                                                                                                        | LS Cable & System's efforts                                                                                                                                                                                                                                                                               | Reporting pages      |
|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
|  <b>Goal 9</b><br>Industry, innovation, and infrastructure  | <ul style="list-style-type: none"> <li>Contributing to the development of sustainable power infrastructure through submarine cables and high-efficiency power grid solutions, supporting industrial innovation and the advancement of social infrastructure in the era of energy transition</li> </ul>    | 14                   |
|  <b>Goal 10</b><br>Reduced inequalities                     | <ul style="list-style-type: none"> <li>Introducing human rights impact assessments to identify, mitigate, and monitor discrimination risks</li> </ul>                                                                                                                                                     | 69                   |
|  <b>Goal 11</b><br>Sustainable cities and communities       | <ul style="list-style-type: none"> <li>Improving air quality by installing air pollution prevention facilities and strengthening pollutant management</li> <li>Reducing waste and operating a safe system for the treatment, transport, and storage of designated waste</li> </ul>                        | 33, 35-36            |
|  <b>Goal 12</b><br>Responsible consumption and production   | <ul style="list-style-type: none"> <li>Establishing an integrated safety and environment system to manage workplace safety, environment, health, chemical substances, and disaster prevention</li> <li>Reporting sustainability information through the publication of a sustainability report</li> </ul> | 61-67                |
|  <b>Goal 13</b><br>Climate action                         | <ul style="list-style-type: none"> <li>Declaration of 2050 Net-Zero, target setting, and roadmap implementation</li> <li>Calculation of greenhouse gas emissions on a consolidated basis (Scope 1+2+3)</li> </ul>                                                                                         | 44, 109-110, 112-113 |
|  <b>Goal 14</b><br>Life below water                       | <ul style="list-style-type: none"> <li>Continued promotion of marine cleanup activities in connection with the submarine cable business (in collaboration with government agencies, local governments, and employees)</li> </ul>                                                                          | 86                   |
|  <b>Goal 16</b><br>Peace, justice and strong institutions | <ul style="list-style-type: none"> <li>Embedding ISO 37301 (Compliance Management System)</li> <li>Conducting employee training and internal communications, with priority given to functions closely related to fair trade regulations</li> </ul>                                                        | 89-91                |
|  <b>Goal 17</b><br>Partnerships for the goals             | <ul style="list-style-type: none"> <li>Participation in ESG initiatives (SBTi, CoRei)</li> </ul>                                                                                                                                                                                                          | 127, 137             |

# ESG Performance

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ESG Management

ESG Performance

Environment

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- Resource Circulation
- Climate Action
- Energy Management
- Biodiversity Conservation

Society & People

Governance

ESG Data

Appendix

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# Environment

# Environmental Management

## Environmental management system

### Environmental management policy

LS Cable & System has established an Environmental Management Policy and defined its environmental management principles. The policy applies to the Company's domestic and overseas operations and subsidiaries, while encouraging compliance by its business partners. It encompasses the seven environmental areas outlined below. LS Cable & System will continue to enhance the scope and implementation of the policy by integrating it into management activities and key decision-making processes.

#### Principles for implementing the environmental management policy

1

Compliance with environmental laws and regulations

2

Optimization of raw and subsidiary material input

3

Management of greenhouse gas emissions

4

Water resource management

5

Minimization of waste generation

6

Minimization of pollutant emissions

7

Implementation of product life cycle assessments

Scope of application

- LS Cable & System
- Subsidiaries
- Suppliers
- Business partners
- Contractors

### Environmental management system certification

LS Cable & System's major operating sites are certified to the ISO 14001 Environmental Management System, demonstrating transparent and reliable environmental management. The Company also undergoes regular certification audits to identify and implement improvement opportunities, continuously enhancing the effectiveness of its environmental management system.

#### Status of environmental management system certification

\* As of December 2025

|          | Worksites             | No. of worksites subject to certification | No. of certified worksites | Certification rate (%) |
|----------|-----------------------|-------------------------------------------|----------------------------|------------------------|
| Domestic | LS Cable & System     | 4                                         | 3                          | 75%                    |
|          | Production subsidiary | 12                                        | 9                          | 75%                    |
| Overseas | Production subsidiary | 8                                         | 7                          | 88%                    |
| Total    |                       | 24                                        | 19                         | 79%                    |

\* LS Cable & System sites subject to assessment include the Gumi Plant, Indong Plant, Donghae Plant, and R&D Center

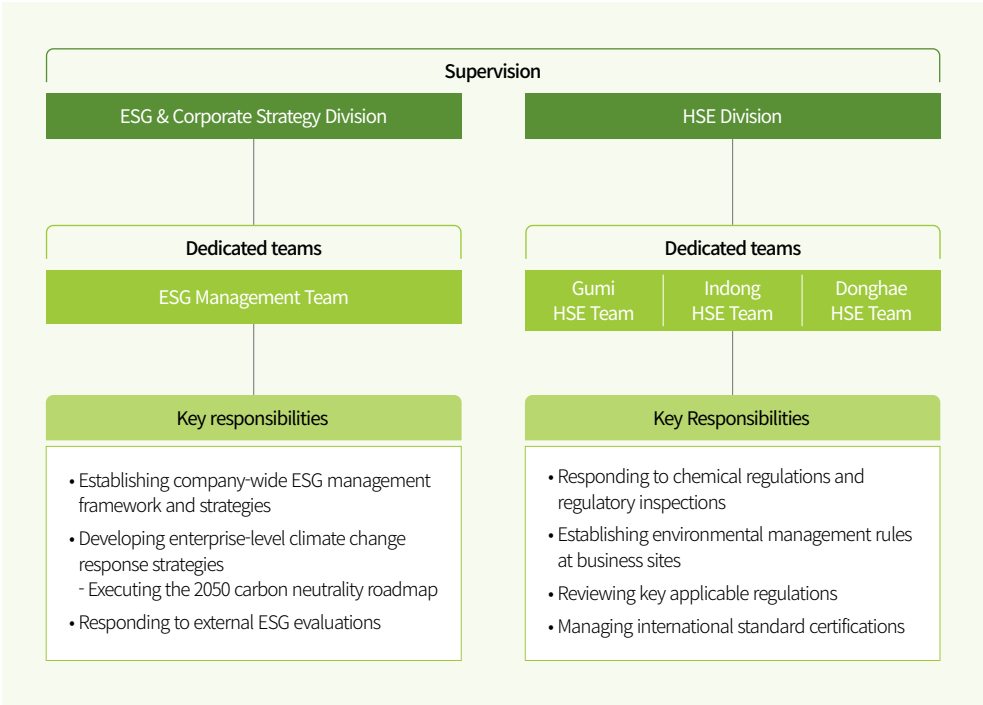
\*\* Subsidiaries that are holding companies, dormant, under liquidation, or in the process of establishment are excluded from the assessment scope

## Environmental management operations

### Operation of the organization

The ESG & Corporate Strategy Division under the Management Support Group establishes strategies and goals to address global environmental regulations and stakeholder expectations, reporting them to the responsible executives and the CEO. The ESG Management Committee regularly reviews environmental management plans, implementation strategies, actions, and performance. At the operating site level, each HSE team sets and implements environmental objectives aligned with the Company's policy. Going forward, LS Cable & System will further strengthen its enterprise-wide management system to develop business-specific environmental strategies and enhance execution capabilities.

#### Environmental management structure and roles





# Environmental Management

## Environmental management framework

### Environmental risk inspections

LS Cable & System conducts regular inspections of facilities with potential environmental impacts to identify and prevent environmental risks. Based on inspection guidelines tailored to facility characteristics, the Company combines routine operational inspections at each operating site to monitor compliance with environmental regulations. Through these efforts, no material environmental regulatory violations occurred at its domestic operating sites in 2025.

### Environmental risk assessment activities

| Facilities                             | Inspection frequency (HSE Team) |        |                       | Key assessment areas                                                                |
|----------------------------------------|---------------------------------|--------|-----------------------|-------------------------------------------------------------------------------------|
|                                        | Gumi                            | Indong | Donghae               |                                                                                     |
| Air pollution control facilities       | Daily                           | Daily  | Quarterly (As needed) | Compliance inspection of pollution control facilities (corrosion, wear, and damage) |
| Wastewater storage facilities          | Weekly                          | Weekly | Weekly                | Compliance inspection of consigned storage tanks (damage and external leakage)      |
| Hazardous chemical handling facilities | Daily                           | Daily  | Daily                 | Compliance inspection of handling facilities (leakage and ventilation systems)      |
| Waste storage facilities               | Monthly                         | Daily  | Monthly               | Compliance inspection of waste segregation and storage by waste type                |
| Soil contamination control facilities  | -                               | Daily  | -                     | Compliance inspection of controlled substances and storage capacity limits          |

### Response to environmental accidents

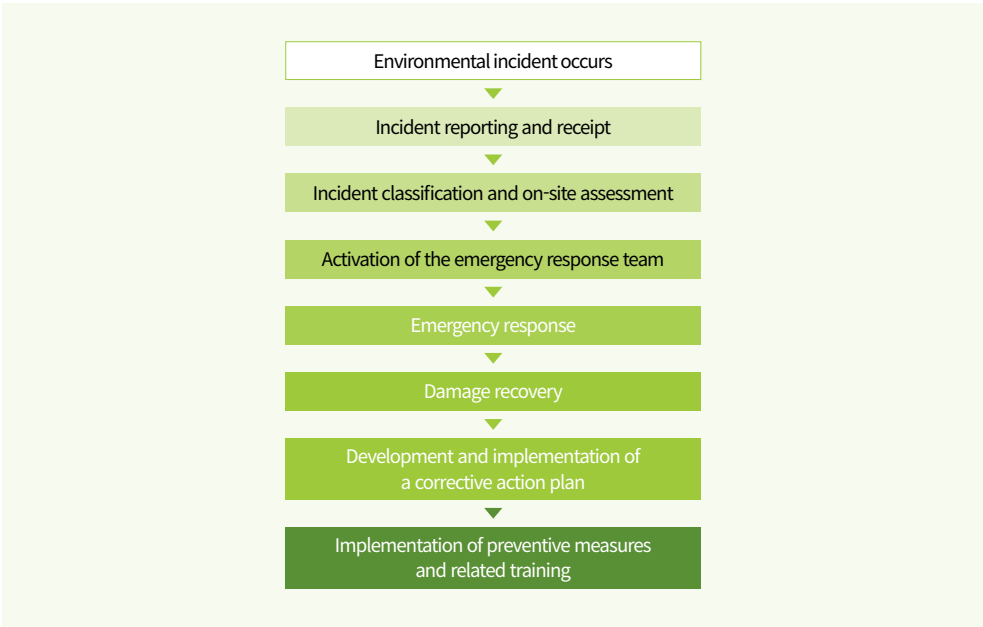
LS Cable & System operates an environmental incident response process to minimize impacts on its operating sites and local communities. In the event of an incident, the Company promptly implements initial response measures, assesses the situation, classifies the incident, and activates an emergency response team to minimize impacts. It also conducts root cause analyses, implements corrective actions, and strengthens emergency preparedness through employee training and annual emergency drills, including off-site chemical spill scenarios.

### Environmental investment

LS Cable & System invests in environmental facilities to prevent pollutant emissions and improve environmental performance at its major operating sites in Gumi, Indong, and Donghae. The Company has upgraded dust collection and ventilation systems to reduce air pollutants and improve workplace conditions. The Gumi site improved its bus duct production process and installed new wet scrubbers, while the Indong site introduced dedicated dust collection facilities to reduce pollutants and fire risks. The Donghae site enhanced emission control by improving exhaust hoods and ductwork in the lead sheathing process.

Between 2023 and 2025, LS Cable & System invested a total of 103.9 billion KRW in environmental facilities to strengthen pollution prevention and environmental management.

### Environmental incident response process





# Environmental Management

## Environmental KPI management

LS Cable & System establishes and manages environmental KPIs to address climate change and minimize environmental impacts, incorporating them into the performance evaluations of executives and employees. Executive KPIs include key environmental management objectives such as advancing the product life cycle assessment (LCA) system, obtaining EPD certifications, managing the Company-wide environmental index, and ensuring environmental compliance. Department managers and employees also establish climate change and site-specific environmental KPIs based on the Company’s ESG framework, with performance evaluated according to their respective roles and responsibilities.

## ESG investment assessment

LS Cable & System incorporates environmental, social, and governance risks into its investment decision-making process alongside economic feasibility and strategic alignment. The Company’s investment management guidelines include ESG assessment criteria to strengthen risk management throughout major investment decisions. Key evaluation factors include carbon emissions, climate-related risks, environmental impacts, and regulatory compliance, enabling a comprehensive assessment of the long-term sustainability and risks of investment projects.

## Environmental training

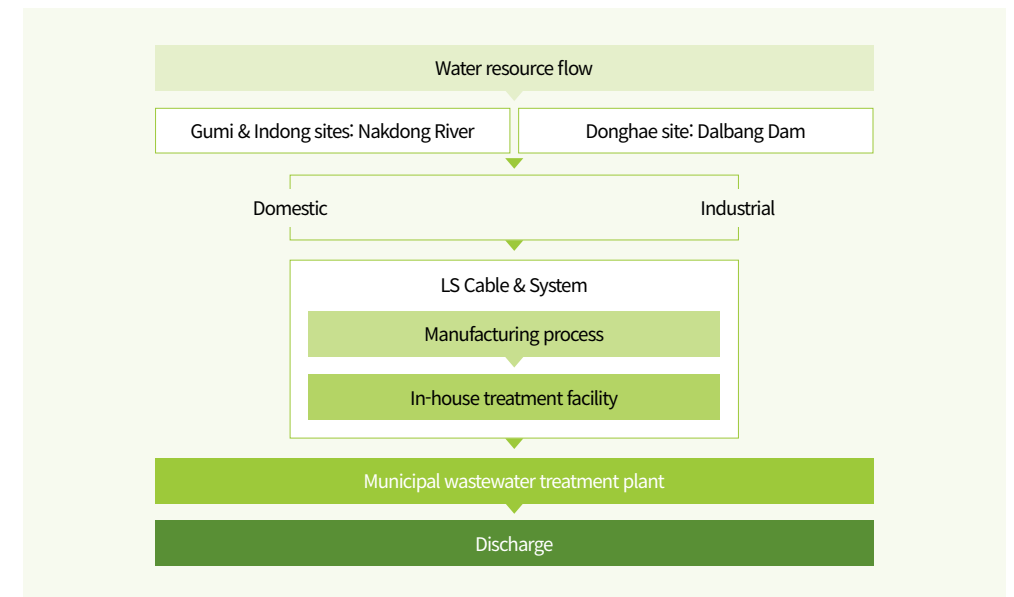
Based on its 2050 Carbon Neutrality Roadmap, LS Cable & System provides environmental training to strengthen climate action and greenhouse gas management across the Company. Since 2025, ESG Management Strategy has been offered as part of the onboarding program for new and experienced employees to enhance understanding of the Company’s ESG strategy and key initiatives. In addition, Scope 3 emissions accounting and verification training was provided to 18 subsidiary representatives in 2025, strengthening their capabilities in emissions data management and verification.

## Water management

### Water management system

LS Cable & System manages water withdrawal, use, and discharge across all manufacturing sites (Gumi, Indong, and Donghae). Water is used for extrusion cooling, metal processing, boiler operations, equipment cleaning, and domestic purposes, with management practices tailored to each process. The Company also reduces freshwater withdrawal through boiler condensate reuse and cooling water recirculation. Wastewater is discharged to public wastewater treatment facilities and managed in accordance with internal water quality standards.

### Water resource flow





# Environmental Management

## Pollution management

LS Cable & System manages pollutants generated from its manufacturing processes under standards that are more stringent than regulatory requirements. The Company operates a continuous monitoring system for high-risk areas, including pollution control facilities and regulatory compliance, while monitoring emissions and improving pollution prevention through facility upgrades, environmental equipment improvements, and process optimization.

### Pollutant pre-assessment areas

|                       |                                        |
|-----------------------|----------------------------------------|
| Air                   | The Clean Air Conservation Act         |
| Water                 | The Water Environment Conservation Act |
| Persistent pollutants | Persistent pollutant management        |

### Air pollutant management

LS Cable & System enhances the efficiency of air pollution control by conducting planned maintenance and repairs of air emission and control facilities based on pollutant characteristics and emission concentrations. The Company also performs air monitoring and analyzes raw materials and production processes to identify new air pollutants and proactively respond to evolving environmental regulations.

### Environmental initiatives with local communities

As part of its efforts to reduce fine dust, the Gumi site signed a voluntary agreement with the Ministry of Environment. During periods of high particulate matter concentrations (January–March and December), the site maximizes the operation of pollution control facilities and implements emergency emission reduction measures by adjusting furnace combustion rates. In addition, the Tele-Monitoring System (TMS) continuously monitors nitrogen oxide (NOx) emissions from melting furnaces, enabling immediate corrective actions when emission levels approach regulatory limits.

### Water pollutant management

To minimize water-related environmental risks, LS Cable & System continuously monitors industrial and domestic water used in its operations and manages wastewater quality at less than 50% of the legal discharge limits under its internal environmental standards.

Wastewater generated during production is treated through on-site treatment facilities before being discharged to public wastewater treatment plants, with continuous monitoring throughout the treatment and discharge process. Major water pollutants are analyzed twice a month and other parameters semiannually by accredited laboratories to ensure reliable water quality management.

### Pollutant emissions

|                            |       | Unit | 2023   | 2024   | 2025   |
|----------------------------|-------|------|--------|--------|--------|
| Air pollutants emissions   | Dust  | kg   | 1,829  | 1,908  | 1,028  |
|                            | NOx   | kg   | 11,338 | 13,366 | 9,609  |
|                            | SOx   | kg   | 0      | 0      | 0      |
|                            | HCl   | kg   | 1,271  | 1,388  | 1,056  |
|                            | HF    | kg   | 33     | 176    | 91     |
|                            | Total | kg   | 14,472 | 16,838 | 11,784 |
| Water pollutants emissions | BOD   | kg   | 271    | 563    | 279    |
|                            | COD   | kg   | 0      | 0      | 0      |
|                            | TOC   | kg   | 450    | 515    | 577    |
|                            | SS    | kg   | 209    | 136    | 350    |
|                            | Total | kg   | 930    | 1,214  | 1,206  |

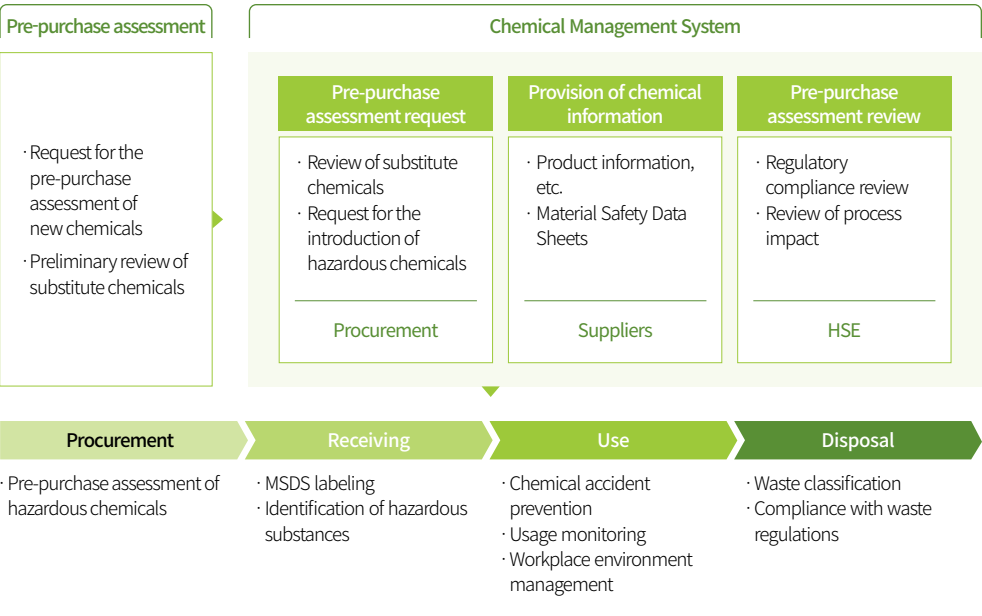
# Environmental Management

## Hazardous chemical management

### Hazardous chemical management system at operating sites

LS Cable & System pursues Risk Zero through a systematic hazardous chemical management framework. New chemicals are procured only after pre-purchase compliance assessments, while hazardous substance requirements are incorporated into product development in line with applicable regulations and customer requirements. All domestic operating sites manage chemicals from use to disposal through the Chemical Monitoring System and minimize environmental impacts through process stabilization, off-site consequence assessments, and employee training. The Company also conducts annual workplace exposure monitoring and special health examinations, regularly inspects chemical handling facilities, enhances Material Safety Data Sheets and chemical management procedures, and maintains emergency response processes for chemical leaks to ensure a safe working environment.

### Hazardous chemical management system



### Hazardous chemical safety training

LS Cable & System provides hazardous chemical safety training to employees, contractors, and hazardous chemical managers to strengthen awareness of the importance and risks of hazardous chemical management. The training covers the proper handling of chemicals and safe facility management practices. In addition, the Company provides dedicated training on Material Safety Data Sheets (MSDS), personal protective equipment (PPE) requirements, and standards for chemical labeling, display, and storage to enhance workplace safety. Regular emergency response drills, including fire suppression, chemical spill scenarios, and emergency evacuation procedures, are also conducted to strengthen emergency preparedness.

|                                    |                     |                                                                                                                                      |
|------------------------------------|---------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Chemical pre-assessment categories | Health              | MSDS compliance, Occupational Safety and Health Act (work environment monitoring, special health check-ups)                          |
|                                    | Safety              | Occupational Safety and Health Act (process safety management)                                                                       |
|                                    | Hazardous chemicals | Chemicals Control Act / Act on the Registration and Evaluation of Chemicals (hazardous chemicals, imported chemicals, new chemicals) |

### Hazardous chemicals safety training overview

| Training Program                                                    | Target participants                             | No. of Participants | Method           |
|---------------------------------------------------------------------|-------------------------------------------------|---------------------|------------------|
| Training for general employees on hazardous chemicals <sup>1)</sup> | All employees (excluding handlers and managers) | 1,770               | Online / Offline |
| Training for hazardous chemical handlers                            | Employees handling hazardous chemicals          | 171                 | Offline          |
| Training for hazardous chemical managers                            | Technical personnel and managers                | 4                   | Offline          |

1) Including suppliers

# Resource Circulation

## Waste reduction and safe waste management

### Zero Waste to Landfill certification

LS Cable & System has enhanced its circular resource management system across its domestic operating sites (Gumi, Indong, and Donghae) and achieved Zero Waste to Landfill (ZWTL) certification. The internationally recognized certification requires at least 80% of total waste to be diverted from landfill through recycling, reuse, or energy recovery. To meet the certification requirements, the Company standardized waste segregation and recycling procedures across its operating sites and established a systematic waste management process covering the entire waste lifecycle, from generation to final treatment. In particular, the Gumi site achieved a resource circulation rate of over 95%, earning the highest Gold rating.

Despite the complexity of cable manufacturing, which uses a wide range of metal and plastic materials, LS Cable & System has improved the sorting accuracy of difficult-to-recycle synthetic resins such as high-density polyethylene (HDPE) and polyvinyl chloride (PVC), while expanding the range of recyclable materials to reduce the amount of waste sent to landfill and incineration. The Company will continue to increase its resource circulation rate and expand the use of environmentally friendly materials to further reduce its environmental impact.

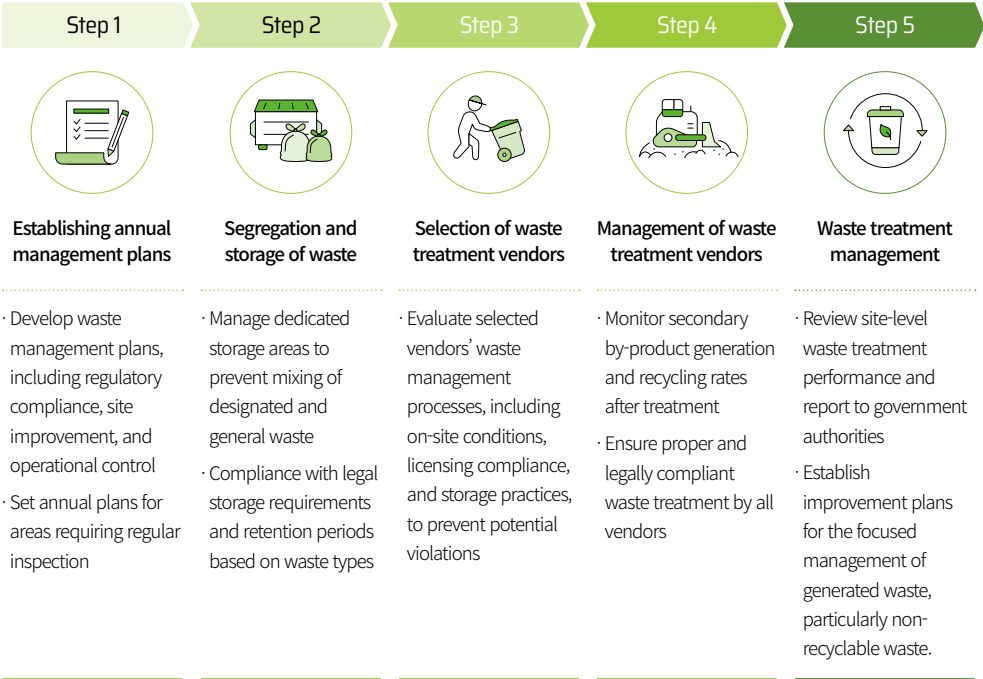
### Certifications by operating site



### Waste lifecycle monitoring

LS Cable & System has established a waste management system covering the entire waste lifecycle, from generation to final treatment, for waste generated during the manufacturing of high-voltage and optical fiber cables. Most of the Company's waste consists of general waste, primarily high-density synthetic resins. The Company monitors changes in relevant regulations each year and incorporates them into its management plans to proactively address environmental requirements. It also conducts internal waste inspections, operates waste segregation standards for incineration, and provides employee training and awareness programs to reduce waste generation and increase recycling. As a result, the Company achieved a 93.8% recycling rate in 2025.

### Waste management process





# Resource Circulation

## Waste lifecycle monitoring

LS Cable & System assesses potential waste impacts when introducing new facilities or modifying production processes and monitors the entire waste lifecycle, from generation and storage to transportation and final treatment. The Company operates waste segregation systems across its offices and operating sites, while hazardous waste is managed in dedicated sealed containers to minimize environmental and safety risks. Waste transportation is also controlled to prevent accidental releases, and close collaboration with waste management partners helps ensure safe and efficient treatment.

To strengthen oversight of waste contractors, the Company conducts annual inspections of high-risk waste management providers selected based on factors such as hazardous waste handling, waste volume, and previous inspection results. Additional inspections are carried out for new contractors or those requiring enhanced oversight, supporting systematic environmental risk management across the supply chain.

## Circular economy performance management

LS Cable & System systematically manages circular economy performance in line with the Korean government's circular economy policy. Under the national performance management program, each of the Company's domestic operating sites (Gumi, Indong, and Donghae) is assigned annual resource circulation targets and regularly monitors and reports its performance by waste type. Through this process, the Company continues to improve resource efficiency and circularity. Going forward, LS Cable & System will further enhance resource efficiency by leveraging site-level operational data while reducing waste and expanding recycling.

## Management of plastic packaging recovery and recycling

LS Cable & System has joined the Korea Packaging Material Recycling Cooperative to fulfill its Extended Producer Responsibility (EPR) obligations for plastic packaging materials, including air caps, plastic films, bobbins, and trays. As a member, the Company pays annual contributions and submits a recycling obligation fulfillment plan, along with records of product and packaging shipment and import volumes. These efforts are part of its broader initiative to reduce environmental impact throughout the manufacturing and import processes, and to monitor the entire waste stream beyond recycling obligations from the user's perspective.

## Recovery and recycling of plastics from end-of-life power and communication cables

Power and communication cables are used for several decades before reaching end of life, at which point the conductors-primarily copper and aluminum, comprising most of the product-can be readily recovered and recycled. However, the outer insulation materials, such as polypropylene (PP) and polyethylene (PE), are synthetic resins (plastics) that are difficult to recycle. To improve their recyclability and establish an effective system, LS Cable & System has joined the Korea Electric Wire Recycling Cooperative and is working with recycling companies to operate a collaborative recovery program. The Company also continues to expand technology development and support initiatives aimed at resource conservation and recycling throughout the entire product life cycle.

# Resource Circulation

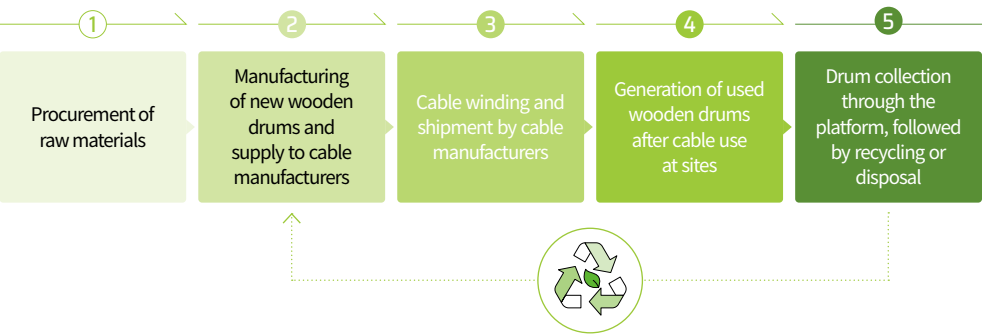
## Reuse of used wooden cable drums

G&P Wood, a subsidiary of LS Cable & System, operates a circular resource system by collecting and recycling wooden cable drums used for cable transportation.

The Company has standardized drum recovery at construction sites through collection requests, transportation scheduling, and on-site safety procedures, while linking drum collection with cable supply contracts to establish a closed-loop system from recovery to recycling. It also strengthens waste management to prevent illegal disposal and improper waste segregation and continues to expand its recovery network for large-scale projects.

Going forward, LS Cable & System and G&P Wood will expand collection targets and recovery networks through the OnDrum platform, further strengthening circular resource management beyond product delivery.

### Business value chain



### Key customer groups

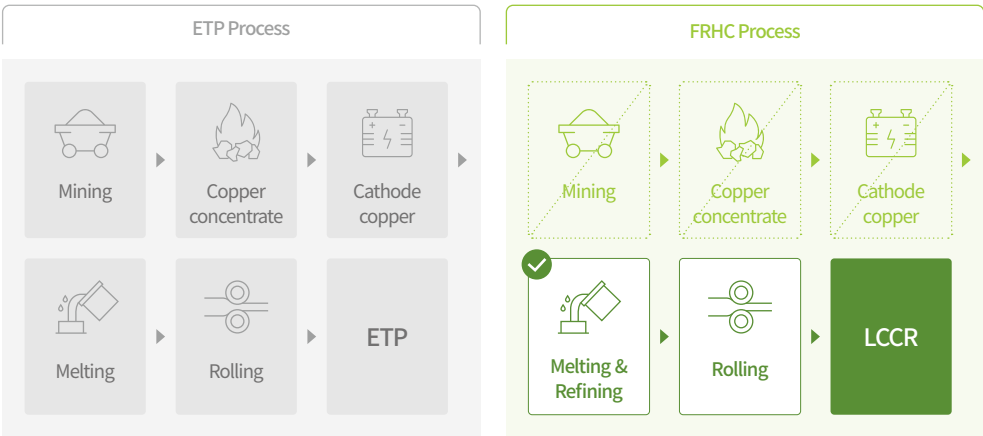
|                                                                                                                               | 2024 | 2025 | Cumulative |
|-------------------------------------------------------------------------------------------------------------------------------|------|------|------------|
| Electrical contractors subcontracted by construction companies, manufacturers, and public enterprises for cable installations |      |      |            |
| New registered users                                                                                                          | 33   | 30   | 136        |
| Participating waste generators                                                                                                | 18   | 19   | 65         |
| Monthly wood drum collection volume                                                                                           | 330  | 360  | 12,474     |

## Development and application of recycled raw materials

LS Cable & System’s subsidiary, Korea Future Materials, is developing and commercializing Low Carbon Copper Rod (LCCR) to improve resource efficiency and reduce carbon emissions. Unlike the conventional process, which produces copper rod from cathode copper refined from newly mined ore, LCCR is manufactured by melting and refining high-quality recycled copper feedstock from various copper scrap sources. This process reduces the environmental impacts of resource extraction while lowering energy consumption and greenhouse gas emissions and helps mitigate raw material price volatility and supply chain risks.

LCCR delivers electrical conductivity and workability equivalent to, or exceeding, those of conventionally produced copper rod, making it suitable for key applications such as submarine and underground power cables. LS Cable & System will continue to expand the use of recycled raw materials and advance low-carbon material technologies based on circular economy principles, contributing to decarbonization across the value chain.

### Recycled raw material production process



\* Electrolytic Tough Pitch(ETP): Conventional standard copper produced through the full value chain, from mining to the finished product  
 \* Fire Refined High Conductivity(FRHC): Environmentally friendly copper produced from recycled copper feedstock, eliminating energy-intensive primary refining processes

# Climate Action

## Governance

### Climate change governance and management oversight

LS Cable & System reports to the ESG Management Committee, a subcommittee of the Management Committee, on the implementation status and future plans for key climate-related initiatives, including climate action and renewable energy adoption. The Committee also receives professional advice from external members to strengthen its oversight of climate-related matters. Final decisions on climate-related issues are made by the Management Committee, chaired by the CEO. Led by the ESG Strategy Department, the Company manages climate-related risks and carbon neutrality initiatives across the organization. The Chief Sustainability Officer (CSO), who also serves as the Head of the Corporate Management Support Division, oversees the management of climate-related risks and initiatives, while significant climate-related matters are reported directly to the CEO.

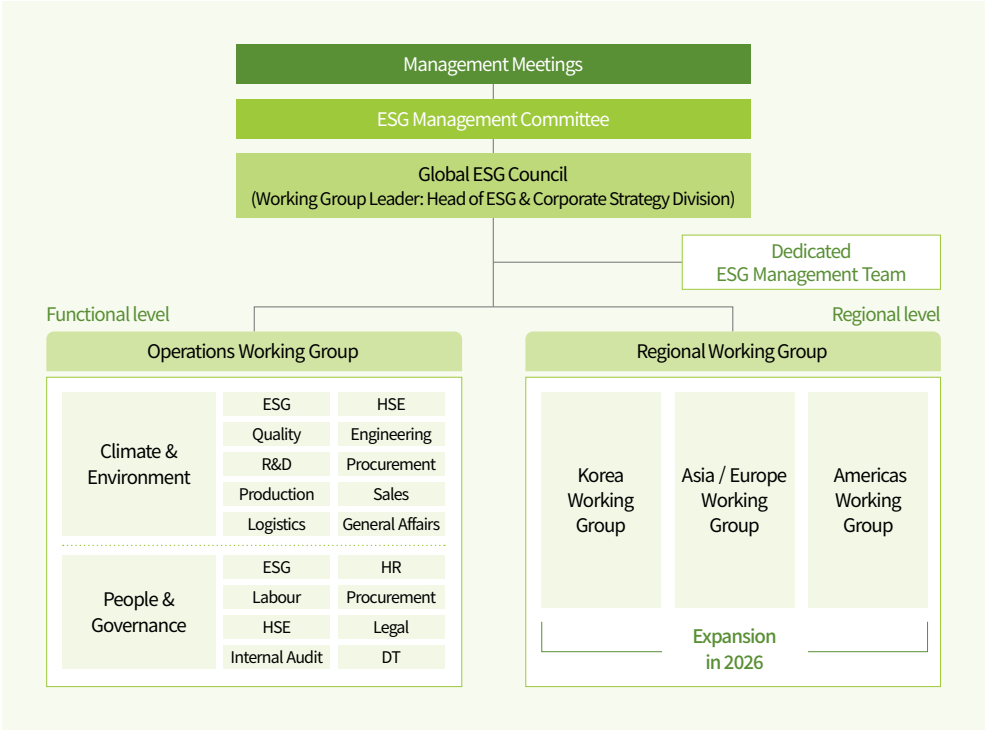
### Global ESG council

To strengthen its internal execution framework for achieving sustainability objectives and respond proactively to evolving global regulatory requirements, LS Cable & System established the Global ESG Council. The Council consists of two governance structures: a Headquarters Council, organized by corporate functions, and Regional Councils, comprising overseas subsidiaries. It operates through two working groups—Climate & Environment and People & Governance—which convene semi-annually through online and offline meetings. Through the Global ESG Council, LS Cable & System shares its sustainability management direction, including climate action policies, targets, and strategies, while jointly advancing climate-related initiatives to strengthen the execution of its decarbonization efforts. Furthermore, by facilitating the exchange of knowledge, best practices, and experience among departments, operating sites, subsidiaries, and responsible personnel, the Company continues to build organization-wide climate capabilities and enhance collaboration across its global operations.

### Climate-related KPIs and incentive programs

LS Cable & System incorporates climate- and ESG-related performance indicators into the KPIs of key departments, business leaders, and executives. These KPIs include ESG performance, responses to carbon regulations, energy reduction, and other continuous improvement initiatives. Performance against these KPIs is evaluated annually and linked to incentive compensation. To expand the application of ESG-related KPIs across the organization, the Company is piloting climate-related performance indicators, such as the renewable energy usage rate, within major business divisions. At the operating site level, employees participate in Quality Control (QC) Circle activities to propose a wide range of improvement initiatives, including energy conservation measures. Outstanding proposals selected through an evaluation process are recognized with cash awards or non-cash incentives.

### Climate change governance



# Climate Action

Strategy

## Climate-related risks and opportunities

LS Cable & System has established time horizons (short-, medium-, and long-term) and defined value chain stages to better assess the financial impacts of climate-related risks. The Company assesses the financial impacts of physical risks, transition risks such as carbon regulations, and selected climate-related opportunities. It will continue to enhance its assessment methodology and expand its climate risk management across the supply chain and value chain.

※ Time Horizon: Short-term (0–2 years), Medium-term (3–10 years), Long-term (11+ years)

|                                                                                                              |                     |                |                                                            |                                                                                                                                                   |              | Value Chain Stage |            |                   |               |              |                   |
|--------------------------------------------------------------------------------------------------------------|---------------------|----------------|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------|------------|-------------------|---------------|--------------|-------------------|
|                                                                                                              |                     | Category       | Climate-Related Risks and Opportunities                    | Financial Impact                                                                                                                                  | Time Horizon | Upstream          | Operations |                   | Downstream    |              |                   |
|                                                                                                              |                     |                |                                                            |                                                                                                                                                   |              | Material Sourcing | R&D        | Marketing & Sales | Manufacturing | Installation | Use & End-of-Life |
|  <div>Risks</div>           | Physical            | Acute          | Natural disasters (e.g., floods, heavy rainfall, typhoons) | Damage to production facilities and disruption to operations due to natural disasters                                                             | Long-term    | ●                 |            |                   | ●             | ●            |                   |
|                                                                                                              |                     | Chronic        | Rising raw material prices                                 | Higher operating costs due to increased energy and raw material prices, reduced production, and changes in product design                         | Medium-term  |                   | ●          |                   | ●             |              |                   |
|                                                                                                              | Transition          | Policy & Legal | Carbon regulations and associated costs                    | Increased carbon compliance costs driven by strengthened domestic and international carbon regulations (e.g., Korea ETS, EU CBAM)                 | Medium-term  | ●                 |            |                   | ●             | ●            | ●                 |
|                                                                                                              |                     | Technology     | Increased energy transition costs                          | Increased investment in facilities, R&D, and renewable energy to support the transition to low-carbon technologies                                | Medium-term  | ●                 |            |                   | ●             | ●            |                   |
|                                                                                                              |                     | Reputation     | Decline in sustainability ratings                          | Increased financing costs due to ESG ratings and lower investor confidence                                                                        | Medium-term  | ●                 |            | ●                 |               |              |                   |
|  <div>Opportunities</div> | Market              |                | Expansion into new markets                                 | Business growth driven by expanding opportunities in the global power grid and energy transition markets, including rising demand for HVDC cables | Short-term   |                   | ●          | ●                 | ●             | ●            |                   |
|                                                                                                              | Resource Efficiency |                | Expanded use of recycled metals                            | Enhanced cost competitiveness through lower carbon-related costs associated with the use of recycled materials                                    | Short-term   | ●                 |            | ●                 |               |              | ●                 |
|                                                                                                              | Energy Source       |                | Renewable and low-carbon energy adoption                   | Lower energy procurement costs through greater use of renewable and low-carbon energy sources                                                     | Medium-term  | ●                 |            | ●                 | ●             |              |                   |

# Climate Action

Strategy

## Overview of physical risk assessment

LS Cable & System assessed physical climate risks across its domestic and overseas operating sites using S&P Climanomics to strengthen data-driven climate risk management. The financial impacts of acute risks, such as typhoons and flooding, and chronic risks, such as extreme temperatures, were quantified using the Average Annual Loss (AAL) metric to assess their potential impacts on asset value.

|                  | Acute                                        |                                               |                                           |                                              |                                                |                                              |                                              | Chronic                                                            |                                           |
|------------------|----------------------------------------------|-----------------------------------------------|-------------------------------------------|----------------------------------------------|------------------------------------------------|----------------------------------------------|----------------------------------------------|--------------------------------------------------------------------|-------------------------------------------|
| Risk category    | Inland flooding                              | Landslides                                    | Drought                                   | River flooding                               | Wildfires                                      | Coastal flooding                             | Typhoons                                     | Extreme temperatures                                               | Water scarcity                            |
| Financial impact | · Recovery costs<br>· Operational disruption | · Physical damage<br>· Operational disruption | · Operational disruption<br>· Water costs | · Recovery costs<br>· Operational disruption | · Employee health impacts<br>· Physical damage | · Recovery costs<br>· Operational disruption | · Recovery costs<br>· Operational disruption | · Reduced HVAC system efficiency<br>· Lower workforce productivity | · Water costs<br>· Operational disruption |

### Scope and boundary of the assessment

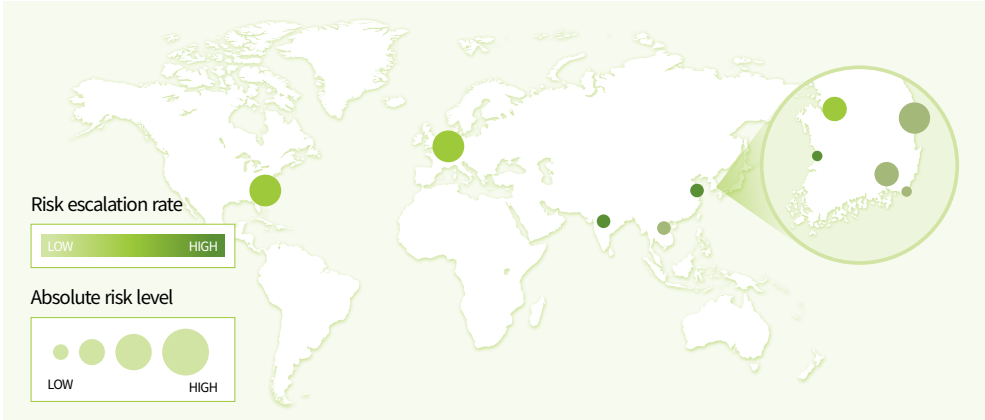
The physical risk assessment covered 10 major domestic and overseas operating sites and subsidiaries on a consolidated basis, selected based on their financial significance and geographic representation.

|                           |                                                                                                                                                                                               |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Selection of key assets   | Included domestic subsidiaries accounting for more than 5% of consolidated assets and overseas subsidiaries with total assets exceeding 10 billion KRW to assess potential financial impacts. |
| Geographic representation | For domestic operations, operating sites on the East, West, and South coasts were included to better assess coastal climate risks, such as sea level rise and typhoons.                       |

### S&P Climanomics scenarios

| SSP1-2.6                                                                                                                 | SSP2-4.5                                                                                                                                               | SSP3-7.0                                                                                                             | SSP5-8.5                                                                                                               |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| Total GHG emissions reach net zero by 2050, limiting the global average temperature increase to <b>1.3–2.4°C</b> by 2100 | GHG emissions remain at current levels until 2050 and then decline, resulting in a <b>2.1–3.5°C</b> increase in the global average temperature by 2100 | Total GHG emissions double by 2100, leading to a <b>2.8–4.6°C</b> increase in the global average temperature by 2100 | Total GHG emissions triple by 2075, resulting in a <b>3.3–5.7°C</b> increase in the global average temperature by 2100 |

### Average physical risk assessment results across S&P Climanomics scenarios



| 10 operating sites                  |                                |
|-------------------------------------|--------------------------------|
| ① ..... LS Cable & System (Donghae) | ⑥ ..... Korea Future Materials |
| ② ..... LS Cable & System (Gumi)    | ⑦ ..... LS-VINA Cable & System |
| ③ ..... Gaon Cable (Gunpo)          | ⑧ ..... LS Cable India         |
| ④ ..... LS Cable & System U.S.A.    | ⑨ ..... LS Cable & System Wuxi |
| ⑤ ..... LS EV Poland                | ⑩ ..... LS Marine Solution     |



# Climate Action

## Strategy

### Physical risk assessment results

Climate scenario analysis of the key operating sites showed that approximately 86% of the total estimated risk costs are associated with chronic physical risks, primarily driven by long-term temperature increases and changes in precipitation patterns.

#### Site-level physical risk assessment

LS Cable & System assessed the Modeled Average Annual Loss (MAAL) from major climate hazards, including extreme temperatures and flash floods, across key operating sites from the 2020s to the 2040s. The assessment was based on four S&P Climonomics scenarios, using the average loss rate across all scenarios.

The assessment identified extreme temperatures and flash floods as the most significant climate hazards across the operating sites. Extreme temperatures are expected to affect workforce productivity, cooling costs, and HVAC system efficiency, while flash floods are expected to increase recovery costs and disrupt operations.

The value of assets exposed to physical climate risks is projected to increase from an annual average of 31.8 billion KRW in the 2020s to 47.8 billion KRW in the 2040s. Based on these findings, the Company will proactively identify site-specific vulnerabilities and strengthen its resilience to minimize climate-related losses.

### Physical risk response

#### Emergency management policy

LS Cable & System proactively manages physical risks associated with climate change and plant incidents through its Emergency Management Policy. Regular updates to the policy strengthen emergency response capabilities and ensure effective preparedness for natural disasters, including floods, typhoons, and earthquakes, as well as fire and explosion incidents.

|                                                                                      |                                             |                                                                                                                                                                                                                                                                                |
|--------------------------------------------------------------------------------------|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|   | <b>Risk identification and preparedness</b> | Potential risks associated with facilities and hazardous materials are identified to establish department-specific emergency contacts and response scenarios. Emergency drills are conducted at least twice a year to ensure prompt evacuation and initial response.           |
|   | <b>Rapid response</b>                       | In the event of an emergency, equipment shutdown and situation reporting are prioritized under the “respond first, report later” principle. When necessary, the Emergency Response Committee coordinates recovery efforts and communication with local communities.            |
|  | <b>Reporting and prevention</b>             | Following an incident, root cause analysis is conducted and improvement measures are incorporated into internal standards and procedures. Relevant information is disclosed upon stakeholder request, while regular inspections and employee training help prevent recurrence. |

#### Heat stress prevention measures

| 1 Five basic measures                                                                                                                                                                                                                                                                                                                                                  | 2 Glucose-electrolyte supplements                                                                                                                                                                                      | 3 On-site health center                                                                                                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div>1 Water</div> <div>Provide cool, clean drinking water</div> <div>2 Shade</div> <div>Install shade, cooling, and ventilation facilities</div> <div>3 Rest</div> <div>Provide rest breaks based on the heat index</div> <div>4 Cooling gear</div> <div>Provide the cooling gear</div> <div>5 Emergency action</div> <div>Immediately report any abnormalities</div> | <div>• Purpose</div> <div>- Prevent dehydration</div> <div>- Replenish electrolytes</div> <div>- Reduce fatigue</div> <div>• Target employees</div> <div>- Outdoor workers</div> <div>- High-heat indoor workers</div> | <div>• Health monitoring equipment to help employees monitor their health during extreme heat</div> <div>• Company-wide notice on the internal bulletin board</div> |

\* Applies when the heat index is 31°C or above (for outdoor workers)

# Climate Action

Strategy

## Overview of transition risk assessment

LS Cable & System identifies transition risks by systematically assessing their likelihood and potential financial impacts. In line with IFRS S2, key risks are categorized into policy and legal, technology, and reputation, and evaluated through scenario-based quantitative analysis.

|           | Policy and legalIncreased carbon pricing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | TechnologyIncreased energy transition costs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | ReputationDeclining stakeholder trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Risks     | <p>LS Cable &amp; System identifies rising carbon allowance costs resulting from stricter GHG emissions regulations as a key transition risk and assessed the associated financial impacts.</p> <p>The assessment was based on the Company's headquarters, which is subject to the Korea Emissions Trading Scheme (K-ETS). Confirmed allocation criteria were applied for the fourth compliance period (2026–2030), while subsequent periods were assessed using conservative assumptions reflecting the potential for tighter regulations.</p> <p>Under the IEA STEPS scenario, carbon allowance purchase costs are projected to increase from 0.36 billion KRW in 2026 to a peak of 2.77 billion KRW in 2041, before declining to 1.43 billion KRW by 2050. The results indicate that stricter carbon regulations could increase carbon compliance costs.</p> <p>The Company manages this risk through GHG emissions reduction initiatives and ongoing monitoring of regulatory developments. Going forward, the assessment will be expanded to include overseas operations to further strengthen climate risk management.</p> | <p>LS Cable &amp; System identifies rising electricity prices and renewable energy procurement cost volatility as key transition risks associated with the energy transition. Under the Below 2°C scenario, electricity prices are projected to increase over the medium to long term, while costs vary depending on the renewable energy procurement method.</p> <p>The assessment indicates that procuring renewable electricity primarily through Renewable Energy Certificates (RECs) and the Green Premium program could result in additional annual costs of approximately 14 billion KRW compared with the Business as Usual (BAU) scenario. In contrast, Power Purchase Agreements (PPAs) are expected to reduce electricity procurement costs where commercially viable.</p> <p>Energy efficiency improvements and economic feasibility assessments of renewable energy procurement options are conducted to minimize the financial impacts of rising energy costs.</p> | <p>LS Cable &amp; System recognizes delays in achieving its 2050 Net Zero target or insufficient climate-related disclosures as key climate-related risks. Failure to meet climate commitments could reduce the trust of customers and other stakeholders, potentially limiting future business opportunities.</p> <p>Failure to meet regulatory requirements and customer expectations may also damage the Company's reputation. The associated financial impacts are estimated based on the share of climate-related evaluation criteria in major project revenues. Administrative and advisory costs related to climate disclosures are also considered as part of the Company's risk response.</p> |
| Responses | <p>GHG emissions and carbon allowance positions are continuously monitored, along with carbon allowance prices and domestic and international carbon regulations. Emissions reduction initiatives under the Company's carbon neutrality roadmap help minimize potential financial impacts.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <p>RE100 initiatives are being implemented in phases, taking into account renewable energy procurement conditions at each operating site. The economic feasibility and practicality of each procurement option are also evaluated to minimize the financial impacts of rising energy costs.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <p>LS Cable &amp; System annually calculates its consolidated Scope 1, 2, and 3 GHG emissions, verifies the results through an independent third party, and discloses them transparently. GHG emissions are managed consistently based on reliable data, supporting effective reduction measures and continued progress toward the Company's carbon neutrality goals.</p>                                                                                                                                                                                                                                                                                                                              |

# Climate Action

Strategy

## Climate-related opportunity assessment

LS Cable & System is proactively capturing climate-related opportunities arising from the global transition to a low-carbon economy, including its HVDC and offshore wind submarine cable businesses. To support climate-related opportunity assessment in line with IFRS S2, the Company has established an internal evaluation matrix based on financial impact, alignment with the business model and value chain, and market urgency. Key opportunities are prioritized through an evaluation process involving major strategic departments. The Company is enhancing its scenario-based methodology for assessing the financial impacts of each opportunity to improve the reliability of quantitative data.

| Category            | Assessment criteria    |                    |                | Climate-related Opportunities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Qualitative financial impacts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------|------------------------|--------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                     | Financial significance | Business relevance | Market urgency |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Market              | High                   | High               | High           | <p>Strengthening the climate-friendly product portfolio by capitalizing on growing demand for renewable energy, electrification, advanced power grid infrastructure, and high-efficiency cable solutions.</p> <ul style="list-style-type: none"> <li>Leading ultra-efficient power transmission technologies through superconducting cable solutions that reduce transmission losses and support power grid decarbonization.</li> <li>Advancing next-generation transmission solutions through PP-insulated, HVDC, and submarine cable technologies, enabling high-capacity, long-distance power transmission while enhancing grid reliability and minimizing environmental impacts.</li> </ul>                                                  | <p>Financial impacts are assessed by linking climate scenario projections from the International Energy Agency (IEA), including renewable energy capacity growth, with revenue generated from climate-related business opportunities.</p> <ul style="list-style-type: none"> <li><b>Revenue growth through global project execution:</b> Generating revenue through the successful delivery of submarine and underground cable supply and installation projects.</li> <li><b>Meeting market demand through capacity expansion:</b> Expanding dedicated submarine cable production capacity to support growing global demand and drive revenue growth.</li> <li><b>Strengthening technology leadership and future cash flows:</b> Investing strategically in R&amp;D for submarine and underground power grid solutions to secure market opportunities and generate long-term cash flows.</li> </ul>       |
| Resource efficiency | Mid                    | Mid                | High           | <p>Strengthening resource efficiency and product competitiveness by building a circular economy across the value chain to reduce dependence on key raw materials, address resource scarcity risks, and lower costs.</p> <ul style="list-style-type: none"> <li>Advancing metal recycling and a circular economy by recovering and recycling copper scrap through its subsidiary Korea Future Materials and increasing the use of recycled materials in cable production to maximize resource efficiency.</li> <li>Expanding products with recycled materials by strengthening a resource-efficient product portfolio, including cables made with recycled materials, to meet customers' growing demand for sustainable supply chains.</li> </ul> | <p>Financial impacts are assessed based on reduced potential regulatory costs through the use of recycled materials in products and the positive revenue contribution of a diversified portfolio of sustainable products.</p> <ul style="list-style-type: none"> <li><b>Avoiding carbon-related regulatory costs:</b> Reducing future cost exposure by lowering GHG emissions and avoiding carbon taxes and CBAM certificate costs.</li> <li><b>Reducing raw material price volatility:</b> Expanding the use of recycled materials to reduce exposure to fluctuations in global copper and aluminum prices, improving cost stability.</li> <li><b>Maintaining and expanding the revenue base through customer alignment:</b> Meeting global customers' low-carbon supply chain requirements to retain existing business, secure new project opportunities, and support future revenue growth.</li> </ul> |

# Climate Action

Strategy

## Carbon neutrality

LS Cable & System is committed to achieving Net Zero by 2050 by reducing GHG emissions across its operations. To support this goal, the Company has established RE100 by 2040 as a long-term target, together with a 2030 near-term target. The Company has defined four strategic priorities to achieve its climate goals and is implementing them through a structured approach. By advancing its climate action strategy, LS Cable & System aims to strengthen its position as a leading global sustainable cable company.



Strategic directions

Integrate carbon management into business

Manage carbon data, conduct investment reviews, and integrate carbon-related information into the performance management system

Build a low-carbon production system

Promote emissions reductions across production sites by strengthening low-carbon technologies

Decarbonize the value chain

Expand resource efficiency and strengthen Scope 3 emissions reduction through supply chain collaboration

Expand the carbon management system

Expand carbon management systems and strengthen carbon management capabilities across all business sites

# Climate Action

## Strategy

### Renewable energy transition

LS Cable & System has established a long-term target of sourcing 60% of its electricity from renewable energy by 2030 and 100% by 2040 as a key milestone toward carbon neutrality. To achieve RE100 across all global operations by 2040, the Company has installed rooftop solar PV systems at major domestic sites and participates annually in Korea's Green Premium program. Going forward, it will expand renewable energy adoption through a combination of on-site solar generation, Power Purchase Agreements (PPAs), and Renewable Energy Certificates (RECs) across its global operations.

#### Korea's first on-site rooftop solar PPA

LS Cable & System introduced rooftop solar PV under Korea's first on-site PPA model to expand renewable energy use at its domestic operations. Since 2025, a 2.99 MW on-site PPA solar system has been operating at Plant 4 of the Donghae facility, supplying approximately 9% of the site's electricity demand with renewable energy. The Company also plans to expand on-site and off-site solar projects by utilizing available rooftop space, including Plant 5 at the Donghae facility, to further increase renewable electricity generation and accelerate the energy transition.

#### Renewable energy transition at domestic operations

LS Cable & System is expanding renewable energy use across its domestic operations through participation in Korea's Green Premium program. As of 2025, the Company procured 93.9 GWh of renewable electricity annually. Renewable electricity accounted for 100% of power consumption at the Donghae site, 67.3% at the Gumi site, and 39.7% at the Indong site, bringing the Company-wide renewable electricity share to 59.6%. In addition, its subsidiary LS EV Korea replaced 7.4% of its electricity consumption with renewable energy in 2025 through on-site solar power generation.

#### Renewable energy transition at overseas operations

LS Cable India has procured renewable electricity through PPAs. In 2025, 1,377 MWh, representing approximately 14% of its total electricity consumption (10,036 MWh), was supplied from renewable sources. LS Cable & System Wuxi introduced a rooftop solar PPA in 2025 and installed a 1.25 MW solar PV system, supplying approximately 1,152 MWh, or 11% of the site's electricity demand, with renewable energy.

LS Cable & System Poland and LS EV Poland transitioned 100% of their electricity consumption to renewable energy in 2025 by expanding renewable energy adoption across their operations.

LS GreenLink, currently under construction in the United States, is initially developing a 0.6 MW rooftop solar on-site PPA. The Company is also evaluating additional on-site generation using factory buildings and parking areas, while considering off-site PPAs to meet remaining electricity demand. The goal is to source 100% of the facility's electricity from renewable energy upon the start of operations.

LS Cable & System continues to advance its renewable energy strategy based on the characteristics of each overseas operation and local energy market conditions, contributing to the achievement of its carbon neutrality goals.



# Climate Action

## Strategy

### Product life cycle assessment

LS Cable & System conducts Life Cycle Assessment (LCA) to respond to customer and stakeholder needs for environmental information and quantitatively manage product environmental impacts. LCA analyzes environmental impacts across the entire product life cycle. The results provide a basis for presenting product environmental information and identifying key impact drivers through contribution analysis by life cycle stage. They also support the prioritization of improvement actions.

#### Product life cycle assessment (LCA) and EPD certification

From 2022 to 2026, LS Cable & System conducted Life Cycle Assessments (LCAs) for 11 strategic products, evaluating environmental impact categories including resource footprint, carbon footprint, ozone depletion, acidification, eutrophication, photochemical ozone formation, and water footprint. Following independent third-party verification, the Company publicly disclosed Environmental Product Declaration (EPD)<sup>1)</sup> reports. LCA results are used to assess environmental impacts across each stage of the product life cycle, identify key impact drivers, and prioritize product environmental improvement initiatives, supporting both environmental performance and product competitiveness.

#### Certification status

EPD-Korea  
3 products



UL EPD  
5 products



EPD-Global  
3 products



1) A document that quantifies and discloses the environmental impacts of a product throughout its life cycle

To strengthen in-house LCA capabilities, LS Cable & System adopted openLCA and the ecoinvent database, enabling timely LCA assessments in response to customer requests. The Company is also enhancing its LCA framework by systematically managing environmental data, including energy use, manufacturing processes, wastewater, and waste generation, to assess environmental impacts across the product life cycle, prioritize improvement opportunities, and support carbon reduction strategies. LCA results are used to identify key environmental impact drivers through life cycle stage contribution analysis and guide product environmental improvements.

The Company is also expanding the use of recycled raw materials, including copper and aluminum, while reducing product environmental impacts through renewable energy adoption and circular resource initiatives in manufacturing. In 2026, LS Cable & System plans to compare LCA results for products incorporating recycled materials with those using virgin materials to quantitatively verify the environmental benefits of recycled content.

According to the 2025 LCA results, currently under EPD Global verification, the 0.6/1 kV marine industrial specialty cable generated approximately 63% of its total carbon footprint during the use phase, followed by raw material production (32%), manufacturing (2%), end-of-life (2%), and other stages (1%).

The high contribution of the use phase is primarily due to electricity losses caused by conductor resistance during operation, which accumulate over the product's lifetime. The contribution from raw material production reflects energy-intensive processes such as conductor smelting and refining, as well as the production of polymer-based materials used for insulation, sheathing, and fillers. To reduce life cycle environmental impacts, LS Cable & System is advancing conductor design and electromagnetic field optimization technologies to reduce impacts during the use phase, while developing recycled and low-carbon materials to lower impacts associated with raw material production.

#### Expanding EPD certification for strategic products

To address increasingly stringent GHG regulations and growing demand for carbon transparency, LS Cable & System plans to expand EPD certification for raw materials and products from 2026. Certification will be implemented in phases, prioritizing recycled raw materials while considering supply chain readiness, certification lead times, and customer requirements. The Company will also collaborate with industry partners and raw material suppliers to strengthen its certification framework and enhance its ability to meet global environmental certification requirements. Through expanded EPD certification and environmental performance management, LS Cable & System aims to build a more sustainable supply chain and strengthen its market competitiveness.

# Climate Action

## Strategy

### Responding to the EU CBAM

LS Cable & System recognizes the EU Carbon Border Adjustment Mechanism (CBAM) as a key business risk amid tightening climate regulations. To prepare for the potential expansion of CBAM, the Company is strengthening product-level emissions data management and carbon data transparency across the supply chain. The Company is also expanding the use of low-carbon and recycled materials, strengthening internal verification, and collaborating with suppliers and customers to enhance CBAM readiness. A company-wide response framework involving ESG, production, procurement, sales, and legal functions supports effective implementation. These efforts help minimize carbon regulatory risks and strengthen competitiveness in global markets.

### Participation in initiatives

LS Cable & System participates in the Corporate Renewable Energy Initiative (CoREi) to support renewable energy adoption in Korea. Through policy discussions and industry collaboration, the Company contributes to accelerating the country's renewable energy transition.

### Participation in CDP Climate Change

LS Cable & System participates in the CDP Climate Change assessment each year, disclosing its climate-related performance and progress. In 2025, the Company became the first cable manufacturer in Korea to achieve an A- (Leadership Level) rating, demonstrating its strong climate action and competitiveness as a sustainable supply chain partner.

### Integrating carbon impact into investment reviews

LS Cable & System incorporated an ESG review into its investment approval process in January 2026 to strengthen the financial management of climate-related risks. This enables potential climate-related costs and risks to be assessed at the early stages of investment decisions. Going forward, the Company plans to use investment review outcomes and operational data to evaluate GHG reduction performance and climate risk management, integrating the results into future investment decisions.

### GHG emissions management

LS Cable & System quantifies GHG emissions in accordance with the GHG Protocol across all global operations and subsidiaries under its operational control (37 entities, including the headquarters). The reported emissions are subject to limited assurance by an independent third party.

### Scope1 • Scope2

In 2025, Scope 1 and 2 emissions totaled 288,389 tCO<sub>2</sub>e (market-based), with 52% attributable to Scope 2 emissions from purchased electricity. Scope 1 emissions primarily resulted from on-site fuel consumption and SF<sub>6</sub> use. To reduce Scope 1 and 2 emissions, LS Cable & System is expanding renewable energy use and improving energy efficiency.

### Scope 3

LS Cable & System quantifies emissions across 14 of the 15 Scope 3 categories, excluding Category 14 (Franchises), which is not applicable to its business. In 2024, Scope 3 emissions totaled 72,283 thousand tCO<sub>2</sub>e, a decrease of 1,544 thousand tCO<sub>2</sub>e from the previous year. The largest emission sources were Category 1 (Purchased goods and services) and Category 11 (Use of sold products). The Company is reducing Scope 3 emissions by strengthening supplier ESG assessments, expanding the use of recycled raw materials, and increasing products that support renewable energy and power grid efficiency.

LS Cable & System will continue to enhance the reliability of its GHG accounting and expand emissions reduction initiatives to reduce carbon impacts across the value chain.

(Left) CDP Climate Change A-  
(Right) Supplier Engagement Leader →



# Energy Management

## Energy management system

### Establishment of energy management policy

We promote sustainable energy management by complying with legal requirements and continually improving our energy performance and management systems. We prioritize technology development and investment to enhance energy efficiency. Energy performance is considered a key management factor throughout the product lifecycle—from development and production to operations and disposal. Targets are systematically established and reviewed to ensure transparent management. We strive to foster a culture of green energy through active employee participation and collaboration with stakeholders, fulfilling our corporate responsibility for a sustainable future.

### Energy management policy

| We strive to lead in energy performance while promoting harmony with the environment and humanity. |                                                                           |   |                                                                                         |
|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|---|-----------------------------------------------------------------------------------------|
| 1                                                                                                  | Compliance with relevant regulations and continual improvement            | 3 | Transparent business practices that respect both the environment and humanity           |
| 2                                                                                                  | Enhancing energy efficiency through technology development and investment | 4 | Building consensus and encouraging voluntary participation to improve energy efficiency |

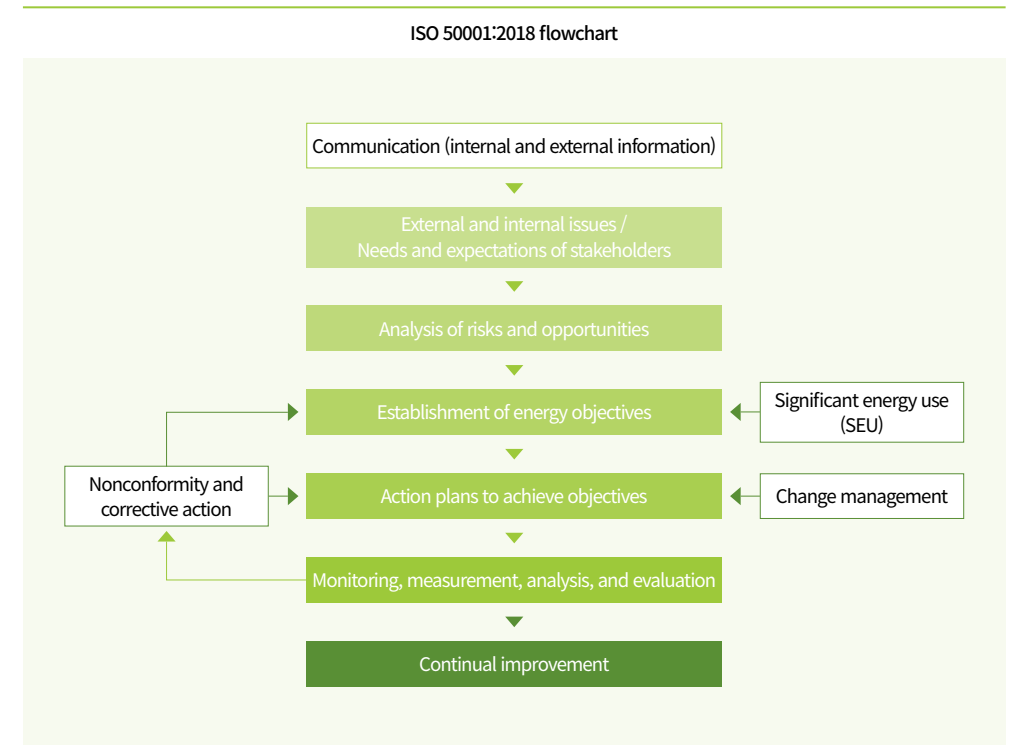
### Implementation of an energy management system

LS Cable & System operates an ISO 50001-based energy management system across all domestic operations to improve energy efficiency and minimize environmental impacts. The Company enhances energy performance by optimizing utility systems linked to production processes and upgrading energy-intensive equipment, while monitoring performance on a monthly basis. In 2025, LS Cable & System completed 29 energy-saving initiatives, including improvements to powder clutch cooling systems and boiler water quality management, achieving cost savings of approximately 940 million KRW at the Gumi and Indong sites and 320 million KRW at the Donghae site.

### Operation of management processes

We have implemented an energy management system (ISO 50001), under which we carry out energy strategy formulation, target management, and risk monitoring. Energy-saving activities are implemented across the entire process—from pre-assessment to energy supply and usage—based on the PDCA (Plan, Do, Check, Act) cycle. We pursue continual improvement by reflecting on the outcomes of annual activities.

### Energy management process



# Energy Management

## Energy efficiency investments

LS Cable & System identifies Significant Energy Use (SEU) equipment through its ISO 50001-based Energy Management System and implements energy efficiency and greenhouse gas reduction initiatives. High-energy-use equipment across its Gumi, Indong, and Donghae sites is prioritized for improvements, including high-efficiency equipment upgrades, control system enhancements, and optimization of cooling and compressed air systems. Key facilities are continuously monitored through the utility (UT) monitoring system.

In 2025, the Company completed 17 SEU improvement projects, improving production efficiency, reducing compressed air consumption, and optimizing boiler operations, resulting in lower electricity and LNG consumption as well as reduced energy costs. LS Cable & System will continue to enhance equipment efficiency and expand data-driven energy optimization initiatives.

### Key SEU improvement initiatives in 2025

| Electricity-consuming equipment                                                                                                                                                                                                                                                                                                                                                                                                      | LNG-consuming equipment                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>Improved energy efficiency through upgrades and replacement of key production equipment</li> <li>Enhanced operational efficiency through process standardization and workplace improvements</li> <li>Reduced electricity consumption by optimizing compressed air and auxiliary systems</li> <li>Optimized energy use through improved equipment controls and operating conditions</li> </ul> | <ul style="list-style-type: none"> <li>Improved fuel efficiency through optimized boiler and thermal equipment operations</li> <li>Minimized heat loss through equipment and operational improvements</li> </ul> |

## 2025 SEU improvement investments

|                                     | Gumi  | Indong | Donghae |
|-------------------------------------|-------|--------|---------|
| Number of investments (cases)       | 7     | 7      | 3       |
| Investment amount (100 million KRW) | 2,915 | 110    | 114     |

Investments 17 cases

Investment amount 3,139 million KRW

Estimated energy savings effect 812 million KRW

## Energy monitoring system

LS Cable & System has expanded its Factory Energy Management System (FEMS) to improve energy management, extending coverage to the Gumi and Indong sites in 2025. The system enables real-time monitoring of electricity consumption at major production equipment while providing integrated energy management across sites and production processes. Energy use data is analyzed to identify high-consumption equipment and support efficiency improvements.

Building on the Energy Management System (EMS) introduced in 2025, the Company plans to establish an MES-linked energy intensity management system by 2026 and expand coverage to 20 underground cable production lines, the Southwire Continuous Rod (SCR) system, and 15 automotive wire production lines.

# Biodiversity Conservation

## Management approach and governance

LS Cable & System recognizes its dependence on natural resources, including forests, soil, and water, and acknowledges that inadequate ecosystem management may affect long-term business sustainability through ecosystem degradation, declining water quality, and disruptions to raw material supply. To minimize these impacts, the Company implements biodiversity management policies and conducts regular environmental impact assessments at its Donghae, Gumi, and Indong sites. To align with the TNFD<sup>1)</sup> recommendations, the Company conducts biodiversity risk assessments based on the LEAP<sup>2)</sup> approach to identify nature-related dependencies, impacts, risks, and opportunities across its operations and value chain. The current assessment focuses on domestic operations and will be expanded to the supply chain. Based on the assessment results, the Company will establish biodiversity conservation targets and implement related initiatives.

The ESG Management Committee reviews and approves key matters related to natural capital management. In addition, the Climate & Environment Working Group under the Global ESG Council assesses biodiversity impacts, supports site-level activities, and carries out biodiversity conservation initiatives, including clean-up activities in protected areas near operating sites.

### Governance structure and roles



## Biodiversity conservation activities

LS Cable & System implements biodiversity conservation initiatives that reflect the characteristics of each operating site and local environmental priorities. The Gumi and Indong sites have conducted regular clean-up activities along the Nakdong River for more than 15 years, while the Donghae site operates marine conservation programs, including underwater and coastal waste collection, marine plastic recycling, and water quality improvement using beneficial microorganisms. In 2025, the Company partnered with the Korea Marine Environment Management Corporation to promote plastic upcycling and marine ecosystem education. These initiatives support efforts to minimize environmental impacts and contribute to sustainable local communities.

Going forward, LS Cable & System will continue to expand biodiversity initiatives, regularly assess biodiversity risks, and progressively implement conservation and restoration measures.

## Environmental impact assessment

LS Cable & System conducts environmental impact assessments of its operations to identify key environmental factors, including resource depletion, air pollution, and waste generation. The Company quantitatively evaluates their indirect impacts on ecosystems and implements improvement initiatives. Going forward, LS Cable & System will further strengthen the link between environmental impact assessment and biodiversity, while expanding its management framework to regularly monitor and manage site-level ecological impacts.

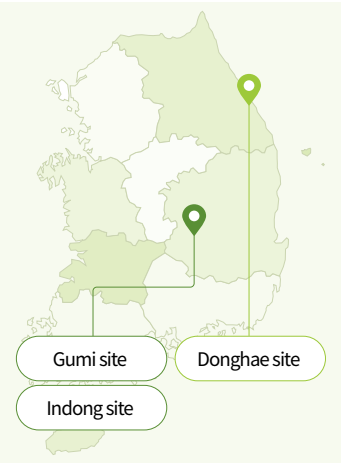
1) A global initiative for the disclosure of nature-related financial information

2) The TNFD-recommended approach for identifying and assessing nature-related issues

# Biodiversity Conservation

## L E A P Locate : Identifying interfaces with nature

LS Cable & System identified interfaces with nature by analyzing vegetation surrounding its operating sites and species inhabiting site boundaries to assess exposure to biodiversity-sensitive areas. The assessment covered a 50 km radius around each site and utilized the Integrated Biodiversity Assessment Tool (IBAT)<sup>1)</sup> to identify protected areas and globally threatened species.



Protected areas and species near operating sites<sup>2)</sup>

| Assessment category         |                                      | Unit    | Donghae site | Gumi · Indong site <sup>3)</sup> |
|-----------------------------|--------------------------------------|---------|--------------|----------------------------------|
| Protected areas             | Nationally protected areas           | No.     | 73           | 82                               |
|                             | Ramsar sites                         | No.     | 0            | 0                                |
|                             | Key biodiversity areas <sup>4)</sup> | No.     | 1            | 1                                |
| Globally threatened species | Critically endangered (CR)           | Species | 5            | 0                                |
|                             | Endangered (EN)                      | Species | 34           | 12                               |
|                             | Vulnerable (VU)                      | Species | 46           | 17                               |

1) A tool that enables integrated screening and assessment of biodiversity sensitivity, including protected areas and threatened species, based on the location of operating sites  
2) Within a 50 km radius of each operating site  
3) Indong site is located within 2 km of the Gumi Site. As the biodiversity assessment results were determined to be not significantly different, the assessment results for the Gumi site were used as a proxy for the Indong site  
4) Donghae site: Gyeongpo Lake (wetland) Gumi site · Indong site: Haepyeong (wetland and reclaimed land)

## L E A P Evaluate : Assessing dependencies and impacts

In line with the TNFD recommendations, LS Cable & System used the ENCORE<sup>1)</sup> tool to assess the relationship between its business activities and natural capital. The assessment found that cable manufacturing has a moderate dependency on ecosystem services, particularly water supply and climate regulation, indicating that disruptions to these services could affect operational stability. The assessment also identified toxic pollutant emissions and noise and light pollution as moderate impact drivers that may contribute to ecosystem degradation, habitat disturbance, and operational risks, including community complaints.

1) A tool that analyzes industries' dependencies and impacts on natural capital based on industry classification

### ENCORE assessment results

| Category     |                      |                                                       | Level    |
|--------------|----------------------|-------------------------------------------------------|----------|
| Dependencies | Water                | Water supply                                          | Medium   |
|              |                      | Nutrient flow (nitrogen)                              | Medium   |
|              |                      | Flood control                                         | Medium   |
|              | Atmosphere & climate | Global climate regulation                             | Very Low |
|              |                      | Local climate regulation                              | Low      |
|              |                      | Rainfall pattern regulation                           | Medium   |
|              |                      | Storm damage risk reduction                           | Medium   |
|              |                      | Flood regulation                                      | Medium   |
|              |                      | Air quality regulation                                | Very Low |
|              | Materials & waste    | Air quality regulation and management                 | Low      |
|              |                      | Soil conservation                                     | Low      |
|              |                      | Solid waste treatment                                 | Low      |
|              | Living environment   | Noise prevention                                      | Very Low |
|              |                      | Noise and vibration-related regulation and management | Very Low |
| Impacts      | Water                | Water consumption                                     | Low      |
|              | Atmosphere & climate | Greenhouse gas emissions                              | Very Low |
|              |                      | Air pollutant emissions                               | Low      |
|              |                      | Land use                                              | Low      |
|              | Materials & waste    | Hazardous waste generation                            | Low      |
|              |                      | Toxic pollutant releases (water & soil)               | Medium   |
|              | Living environment   | Noise and light pollution                             | Medium   |



# Biodiversity Conservation

## Assess : Evaluating risks and opportunities

LS Cable & System conducted a GIS-based<sup>1)</sup> spatial analysis across its three domestic operating sites and identified nature-related risks and opportunities using the WWF Biodiversity Risk Filter (BRF)<sup>2)</sup>. The assessment provides a basis for understanding potential impacts of natural capital on the Company's business.

### WWF BRF-based risk and opportunity assessment results

\* R: Risk, O: Opportunity

| Type        |                     |            |    | Description                                                                                                                        |
|-------------|---------------------|------------|----|------------------------------------------------------------------------------------------------------------------------------------|
| Risk        | Physical risks      | Acute      | R1 | Climate-related disasters increase facility damage, logistics disruptions, and production losses                                   |
|             |                     | Chronic    | R2 | Water scarcity and heat increase water and energy demand, raising operating costs                                                  |
|             | Transition risks    | Policy     | R3 | Stricter nature and pollution regulations increase compliance costs and regulatory risks                                           |
|             |                     | Market     | R4 | Stricter customer and investor expectations on pollution reduction reduce market competitiveness and project opportunities         |
|             |                     | Technology | R5 | Transition to low-impact processes and climate-resilient facilities increases investment costs and reduces operational efficiency  |
|             |                     | Reputation | R6 | Pollution incidents or issues near protected areas increase community conflicts and reputational risks                             |
|             |                     | Liability  | R7 | Pollution incidents increase remediation costs, legal liabilities, and insurance premiums                                          |
| Opportunity | Resource efficiency |            | O1 | Pollution prevention, improved treatment efficiency, and water reuse reduce costs and strengthen regulatory compliance             |
|             | Market              |            | O2 | Growing demand for grid expansion and renewable energy creates new project opportunities for environmentally responsible solutions |
|             | Product And service |            | O3 | Low-toxicity and recycled materials, combined with lower-impact installation solutions                                             |
|             | Reputation          |            | O4 | Proactive management of pollution and protected area risks, supported by TNFD disclosures, enhances stakeholder trust              |

1) A system for collecting, managing, and analyzing spatial and location-based data

2) A biodiversity risk screening platform developed by WWF, a global non-profit organization dedicated to nature conservation

## Prepare : Taking action

LS Cable & System implements strategies to manage identified nature-related risks and opportunities. In line with the AR3T<sup>1)</sup> approach of the Science Based Targets Network (SBTN)<sup>2)</sup>, the Company prioritizes preventing and minimizing negative impacts before they occur, rather than focusing on restoration after impacts have already taken place.

### Response strategies by AR3T approach

| Type       | Description          | Response strategy                                                                                                                       |
|------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| R7         | Avoid                | Prevent leaks by sealing hazardous material handling processes and strengthen storage and transport controls                            |
| R1, R2     | Reduce               | Establish response measures <sup>3)</sup> for heatwave and water shortage risks and strengthen water conservation and reuse initiatives |
| R3, O1     |                      | Enhance wastewater discharge standards and expand treatment facility inspections and reuse                                              |
| R6, O4     | Restore & Regenerate | Improve water management across operating sites and share management data to minimize civil complaints                                  |
| R4, O2, O3 | Transform            | Transition <sup>4)</sup> to products and processes with lower environmental impacts and expand related business opportunities           |
| R5         |                      | Mitigate transition challenges through a phased replacement and upgrade plan for aging facilities                                       |

1) A framework for minimizing environmental impacts, restoring ecosystems, and driving sustainable transformation

2) A global initiative that helps companies measure, prioritize, and set science-based targets to address their impacts on nature

3) Disaster response measures have been established and are implemented in accordance with the Company's risk management policy

4) Korea Future Materials plans to produce and apply Fire-Refined High-Conductivity (FRHC) recycled copper in its products

About LS Cable & System

ESG Management

ESG Performance

[Environment](#)

[Society & People](#)

- Talent Management
- Occupational Health and Safety
- Human Rights Management
- Product Quality and Responsibility
- Suppliers
- Social Contribution

[Governance](#)

ESG Data

Appendix

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# Society & People

# Talent Management

## Employee performance management

### Performance evaluation system

LS Cable & System operates a fair and structured performance management system designed to help employees fully realize their capabilities and potential. The Company conducts objective and transparent performance evaluations through a systematic process that includes goal setting at the beginning of the year, ongoing progress reviews and feedback, and year-end performance assessments.

### KPI-based performance evaluation

In addition to KPI-based performance evaluations, the Company operates competency, peer, and leadership evaluations. Peer evaluations complement supervisor assessments through a multi-rater approach that enhances objectivity and credibility. Leadership evaluations incorporate feedback from supervisors, peers, and team members to provide a comprehensive assessment of leadership effectiveness.

### Continuous performance management for performance improvement

LS Cable & System operates a continuous performance management system to support accurate evaluations and sustainable performance improvement. Employees register and track assigned tasks through the Company's performance management system, while organizational leaders regularly monitor progress toward annual objectives and provide feedback. Performance data accumulated throughout the year are incorporated into year-end evaluations, supporting fair assessments and the achievement of individual and organizational goals.

### Performance evaluation system

| 1 Performance evaluation                                                                                                                                                                                                   | 2 Competency evaluation                                                                                                                                                                                                             | 3 Peer evaluation                                                                                                 | 4 Leadership evaluation                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>Organizational performance evaluation: Assessment of organizational KPI achievement</li> <li>Individual performance evaluation: Assessment of individual KPI achievement</li> </ul> | <ul style="list-style-type: none"> <li>Core competency evaluation: Assessment of the demonstration and integration of the Company's core values</li> <li>Job competency evaluation: Assessment of job-specific expertise</li> </ul> | <ul style="list-style-type: none"> <li>Peer assessment of performance, competencies, and collaboration</li> </ul> | <ul style="list-style-type: none"> <li>Assessment of organizational leaders by supervisors, peers, and team members</li> </ul> |

### Evaluation appeals process

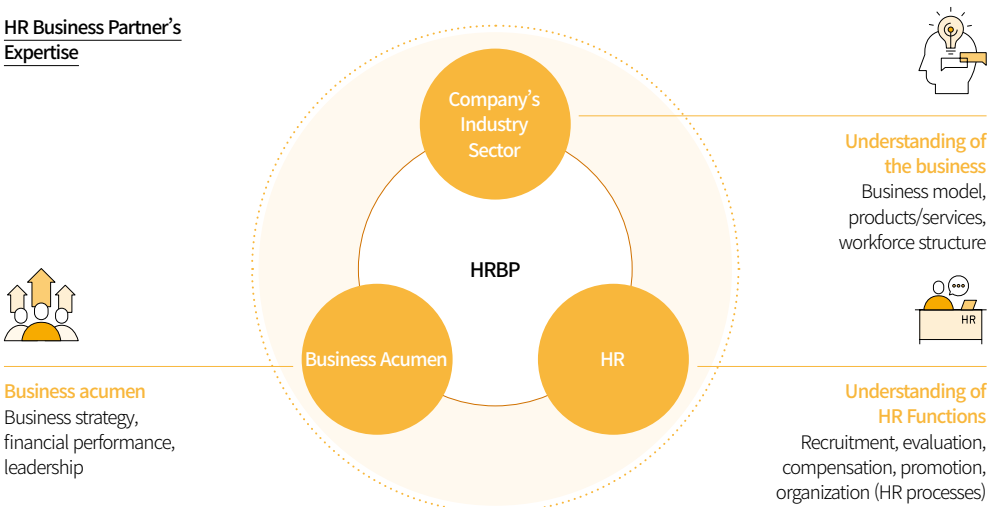
LS Cable & System operates an evaluation appeals process to ensure fairness and transparency in performance evaluations. Employees who disagree with their evaluation results may submit an appeal within the designated period. The HR department reviews the validity of the appeal and, where necessary, examines supporting information. If an adjustment is deemed necessary, the second-level supervisor reviews the evaluation basis and provides a final recommendation. The review outcome is then communicated to the employee by the HR department.

### HR Business Partner (HRBP)

LS Cable & System operates an HR Business Partner (HRBP) system comprising the Corporate HR organization and HR and labor relations representatives at each operating site. HRBPs work with business units to address people-related needs that support business strategies and objectives. They also serve as a key point of contact for employees, providing guidance on Company policies related to performance evaluation, compensation, and employee benefits.

### HRBP, HR Business Partner

#### HR Business Partner's Expertise



Understanding of  
 the business  
 Business model,  
 products/services,  
 workforce structure



Understanding of  
 HR Functions  
 Recruitment, evaluation,  
 compensation, promotion,  
 organization (HR processes)



Business acumen  
 Business strategy,  
 financial performance,  
 leadership

# Talent Management

## Compensation system

LS Cable & System operates a performance-based compensation system to ensure employees are rewarded fairly for their contributions. The Company complies with all applicable laws, including the Minimum Wage Act, and provides equal pay for equal work regardless of gender.

### Performance-based compensation

The Company operates a fair compensation system that rewards performance while ensuring equal treatment regardless of gender, age, or disability. Base salary is determined by considering each employee’s role, performance, competencies, and market competitiveness, while variable compensation reflects individual contributions. Certain incentive programs are administered by business leaders, enabling timely recognition of high-performing employees. The Company also communicates compensation policies and outcomes transparently through compensation briefings and information sessions on performance bonuses and salary increases.

### Compensation structure

| Fixed pay                                                                                   | Variable pay |                                                                                 |                                                                                                       |                                                                  |
|---------------------------------------------------------------------------------------------|--------------|---------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| Base salary                                                                                 | +            | PI (personal incentive)                                                         | Incentive                                                                                             | Management incentive                                             |
| Compensation based on a comprehensive assessment of individual competencies and performance |              | Differentiated compensation based on the previous year's individual performance | Ad-hoc rewards based on short-term performance during the year (individual or collaborative outcomes) | Compensation based on the company's overall business performance |

### Implementing a profit sharing system

LS Cable & System operates a profit sharing system as part of its efforts to encourage employees to take pride in being members of the Company and to work together toward achieving business results. Based on labor-management consensus, a portion of corporate profits is distributed to employees.

## Reward system

The CEO presents the LS Cable & System Way Award and the Outstanding R&D Award, while the heads of each business division oversee the C.O.R.E. Award and the Talent Reward Award. These recognition programs are conducted throughout the year to promote employee motivation and foster a high-performance culture.

### Monitoring and addressing pay disparities

LS Cable & System applies a standardized pay structure and does not differentiate compensation by gender or operating site. In addition to compensation, the Company prohibits discrimination or unfavorable treatment in working conditions based on gender, marital status, pregnancy, or childbirth without reasonable grounds. Compensation is determined using objective and reasonable criteria, with differences permitted only when justified by factors such as experience, years of service, or working hours. The Company also monitors pay disparities before each monthly payroll and takes corrective action if any differences are found to be inconsistent with its compensation standards.

### Competitive compensation

To support employees’ basic standard of living, LS Cable & System ensures that all employees are paid above the statutory minimum wage. The Company also benchmarks its pay levels against living wages established by local Living Wage Committees in the jurisdictions where its worksites are located, ensuring competitive compensation. Living wage standards are based on household expenditures, inflation, education expenses, leisure costs, and regional income levels. The Company reflects these standards in its compensation practices to promote employees’ income stability. Employees are paid on a fixed date each month. The Company also provides pay statements detailing total earnings, including base salary, overtime pay, and deductions for taxes, union dues, and social insurance contributions.

### Wage levels at major sites<sup>1)</sup> in 2025

|               | Unit     | Statutory minimum wage | Living wage <sup>2)</sup> | Actual wages paid |
|---------------|----------|------------------------|---------------------------|-------------------|
| Headquarters  | KRW/hour | 10,030                 | 11,750                    | 27,408            |
| Gumi plant    | KRW/hour | 10,030                 | 11,670                    | 20,478            |
| Indong plant  | KRW/hour | 10,030                 | 11,670                    | 20,478            |
| Donghae plant | KRW/hour | 10,030                 | 11,678                    | 19,269            |

1) Major sites refer to the locations of LS Cable & System’s headquarters and three production plants  
 2) Living wages are established and officially announced by the respective local government Living Wage Committees for the locations of the headquarters and three production plants

# Talent Management

## Talent development

### Skill-based Individual Development Plan (IDP) system

LS Cable & System supports its employees in continuously developing their expertise and delivering results, guided by its philosophy that employee development drives organizational growth. To this end, the Company has implemented a competency-based Individual Development Plan (IDP) system.

#### Establishment of an IDP system

This skill-based Individual Development Plan (IDP) system consists of four steps: job skill diagnosis, individual development planning, implementation and feedback, and performance monitoring. The job skill diagnosis allows employees to objectively assess their current skill set. Based on the identified areas for improvement, they create an IDP using the Skill Development Guide, which helps them identify programs tailored to their job functions. The IDP is continuously updated through quarterly one-on-one meetings with team leaders. This structured system enables employees to track their growth in a measurable way and take a proactive approach to designing their career paths.

#### Providing learning programs tailored to individual needs

To provide learning programs tailored to individual needs, LS Cable & System offers a variety of opportunities, including in-person and online sessions, outsourced training programs, structured e-learning courses, and microlearning modules, in consideration of training purposes and characteristics. These programs are annually designed and operated for organization-led training and individual-led learning support, based on the corporate direction of talent management and the needs of employees.

Organization-led training outlines leadership training by position (Business Group heads, Division heads, and team leaders), training for overseas assignees, onboarding programs for new and experienced employees, job-specific training by business division (submarine, power distribution, communication, and EPC), and core competency development programs. To support individual-led learning, LS Cable & System provides access to over 15,000 pieces of content through e-learning and microlearning platforms, in addition to supporting group training programs and outsourced education through external training institutions.

### AX skill-up training

#### Training for leaders

LS Cable & System provides AX (Artificial Intelligence Transformation) training for leaders to accelerate the Company's digital transformation. The program aims to develop leaders who effectively utilize AI and drive its adoption across the organization, strengthening both AI capabilities and leadership. The curriculum is divided into Executive and Team Leader tracks to address role-specific AX competencies. The Executive Track focuses on understanding AI-driven industry and business changes and establishing AX strategies, while the Team Leader Track emphasizes the practical application of AI to team management, performance management, and operational improvement. Case studies and hands-on training are also incorporated to enhance the practical use of AI in the workplace.

#### Training for all employees

LS Cable & System operates a structured AI learning program for all employees, consisting of Foundation and Job-Specific courses. The Foundation courses build AI literacy and generative AI capabilities, covering practical applications such as AI-assisted report writing, data analysis, and problem solving.

The Job-Specific courses are tailored to functions including Marketing, Engineering, and R&D, helping employees apply AI to process data analysis, quality issue management, technical research, and strategy development. Hands-on training focused on job-specific applications further enhances practical capabilities. In addition, the Company offers both live classes and e-learning through its learning platform, enabling employees to learn flexibly and apply new skills in their daily work.

# Talent Management

## Global talent development

LS Cable & System operates a talent development system to support the stable operation of its expanding global business. The program is currently prioritized for new manufacturing sites, including LS GreenLink and LS Cable Mexico, and will be extended to other global operations as the business continues to grow. By reflecting the business characteristics and job requirements of each site, the Company develops local talent through in-house training and headquarters-linked programs, enabling employees to build job competencies early. Tailored onboarding programs for new overseas employees also help strengthen organizational understanding and accelerate workplace adaptation.

For expatriates, the Company provides structured training before, during, and after overseas assignments to support local adaptation and effective job performance. These initiatives strengthen both global business operations and organizational capabilities.

## Job-specific capability development

LS Cable & System operates a structured job-specific training system to strengthen expertise in key business areas, including submarine cables, construction, and power distribution. The curriculum consists of three levels: Entry Level, Intermediate Level, and Advanced Level, designed according to required job competencies and technical proficiency. Entry Level focuses on helping new and early-career employees build basic job understanding and capabilities, while Intermediate Level supports the development of practical expertise based on work experience. Advanced Level is designed to develop experts capable of performing highly specialized technical work. Rather than being based on tenure or position, Advanced Level training is operated according to technical expertise, helping develop core experts in each field and internalize key job-specific technologies.

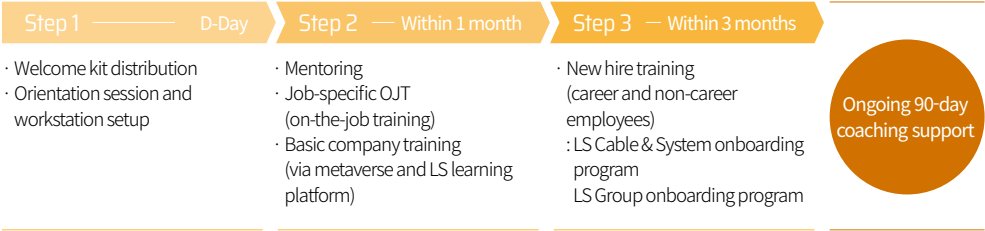
## Enhancing the Learning Experience Platform

LS Cable & System is enhancing its Learning Experience Platform (LXP) to provide personalized learning aligned with employees’ job skill levels and evolving roles. Moving beyond standardized training by job grade or function, the Company is building a tailored learning environment that reflects individual learning needs and career development. To support this, skill development guides are provided for each job role, while relevant learning content is developed internally or curated externally and integrated into the platform. The Company also plans to introduce AI-based learning recommendations through its e-learning platform based on employees’ job roles, career stages, and organizational mobility, delivering the right content at the right time. These initiatives will improve learning accessibility while supporting continuous capability development.

## Onboarding programs for new hires

LS Cable & System provides new hires with onboarding programs focused on organizational culture, core values and employee attitude. These programs are designed to help them adapt to their new environments and deepen their understanding of our organization. Topics covered include corporate management philosophy, ESG management, an introduction of our worksites, and the latest company news, its businesses and products, environmental and safety practices, compliance and ethical management, and information security.

### New employee onboarding program





# Talent Management

## Organizational culture

### A culture of communication and respect

#### Operation of the core communicator program

To foster a sound and flexible corporate culture, Core Communicators (C.C.) are selected for each division to act as facilitators for communication and change. The C.C. Board, which represents each business group, is also established. Core Communicators deliver the management philosophy to employees and convey the voice of employees (VoE) to management. They participate in organizational culture improvement activities at both the division and enterprise levels. The C.C. Board meets with the CEO to discuss various agenda items focused on enhancing corporate culture and working environments.

#### Open communication and employee participation

LS Cable & System fosters an organizational culture that encourages open communication and employee participation. The Company promotes 360-degree communication across all levels, departments, and functions, while operating a variety of communication channels that enable employees to actively participate in their work and organizational operations.

### Strengthening trust between leaders and employees

#### Town Hall Meeting

Regular town hall meetings led by the Division Heads provide opportunities to share management philosophy, business direction, and key management issues. Through open Q&A sessions, the Company also gathers new ideas from employees and recognizes their contributions.



Town Hall Meeting →

#### Vision Talk Show

LS Cable & System operates Company-wide communication programs to strengthen organizational alignment and execution of its long-term vision. Through these programs, the CEO and other leaders directly communicate the Company's strategy and direction to enhance employees' understanding of its vision. The Company also promotes two-way communication through interactive discussion-based formats that encourage employee participation. These initiatives strengthen alignment between vision and execution while fostering shared commitment to organizational goals and effective strategy execution.



Vision Talk Show →

### Improving ways of working

#### Working smarter at LS C&S

LS Cable & System regularly distributes card news featuring guidelines for improving meeting and work practices to foster a smart work culture. The content provides practical guidance for meetings, including agenda sharing, starting and ending on time, and reaching clear conclusions, while promoting concise communication and action-oriented work practices. Presented with practical examples, the guidelines help strengthen productivity and an execution-focused organizational culture.

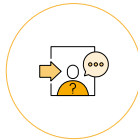
### Vision communication

#### Happy Quiz

LS Cable & System regularly operates the Happy Quiz program to reinforce awareness of the Company's vision and encourage employee participation. Through quizzes based on the Company's vision and strategy, employees are encouraged to naturally reinforce their understanding of the vision in their daily work while enhancing organizational engagement.

# Talent Management

## Various organizational culture activities

|                                                                                                                    |                                                                                                                                       |                                                                                                                       |                                                                                                                                                                      |                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
|                                   |                                                      |                                     |                                                                                   |                                    |
| <b>Leader, Promise Me</b>                                                                                          | <b>Reverse Mentoring</b>                                                                                                              | <b>Pilyeon</b><br>(Feel Free to Reach Out)                                                                            | <b>CEO Thank-You Card</b>                                                                                                                                            | <b>Open Talk</b>                                                                                                      |
| A campaign in which leaders pledge to take the lead in improving organizational culture through action and example | A one-on-one communication program that pairs organizational leaders with employees to promote generational understanding and empathy | A voluntary communication initiative that promotes mutual understanding and collaboration through cross-team exchange | A gratitude program in which employees nominate their peers for contributions to company performance and operations, and the CEO personally sends thank-you messages | An anonymous online communication activity that allows employees to freely express their ideas and engage in dialogue |

## Organizational capability survey to diagnose organizational culture

LS Cable & System conducts an annual organizational capability survey covering three areas: organizational capability, organizational vitality, and corporate culture. The survey results help shape management strategies and guide follow-up initiatives. The survey also helps the Company systematically improve its organizational culture by capturing employees’ perceptions and identifying emerging trends.

### Organizational capability survey

| Category     | Survey areas                                                                                                                                                       |                                                                                                                                       |                                                                                              |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
|              | ① Organizational capability                                                                                                                                        | ② Organizational vitality                                                                                                             | ③ Organizational culture development                                                         |
| Survey Items | <ul style="list-style-type: none"> <li>Organizational direction</li> <li>Functional/system capabilities &amp; leadership</li> <li>Employee competencies</li> </ul> | <ul style="list-style-type: none"> <li>Confidence &amp; pride</li> <li>Relationships and work/organizational effectiveness</li> </ul> | <ul style="list-style-type: none"> <li>Work productivity</li> <li>Ways of working</li> </ul> |

## Work-life balance

### Employee benefits system

LS Cable & System operates a wide range of employee benefits programs.

#### Employee benefits programs

| Childbirth and childcare support                                                                                                                                                                                                                                                                                                                                                                                                                                 | Leave support                                                                                                                                                                                                              | Health care                                                                                                                                                                                                                                                                                                                                 | Living and welfare benefits                                                                                                                                                                                                                                                                                                                                                                                                              | Cultural support                                                                                                                                                                                                                                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <ul style="list-style-type: none"> <li>Paid reduced working hours during pregnancy</li> <li>Paid pre- and post-maternity leave</li> <li>Parental leave</li> <li>On-site nursing rooms and daycare centers</li> <li>Congratulatory payment for childbirth</li> <li>First birthday gift for children</li> <li>Congratulatory payment for the birth of grandchildren</li> </ul> |  <ul style="list-style-type: none"> <li>Five days of paid summer vacation</li> <li>Refresh leave</li> <li>Long-service leave</li> </ul> |  <ul style="list-style-type: none"> <li>Comprehensive medical checkups (for employees and spouses)</li> <li>Medical expense support (for employees and their families)</li> <li>On-site counseling services</li> <li>On-site health care room</li> </ul> |  <ul style="list-style-type: none"> <li>Congratulatory and condolence support</li> <li>Birthday gift payment</li> <li>Educational support for children</li> <li>Housing support allowance</li> <li>Relocation expense support</li> <li>Dormitories and employee housing</li> <li>Group insurance coverage</li> <li>Retirement pension plan</li> </ul> |  <ul style="list-style-type: none"> <li>Access to condominiums and company resorts</li> <li>Fall company outing</li> <li>In-house clubs and hobby groups</li> </ul> |

### Expanded family-friendly benefits

LS Cable & System has expanded its family-friendly benefits by strengthening programs that support employees throughout family planning and child-rearing, including reduced working hours during pregnancy, spousal parental leave, childcare leave, and fertility treatment leave.

#### Expansion of childbirth and childcare policies

|                                                                                                    |                                                                                                       |                                       |                                                                                     |                                                       |                                            |
|----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------|--------------------------------------------|
| <b>Childbirth congratulatory payment</b><br><br>Congratulatory gift for children and grandchildren | <b>Shortened working hours during pregnancy</b><br><br>Applied throughout the entire pregnancy period | <b>Paternity leave</b><br><br>20 days | <b>Paternal childcare leave</b><br><br>One-month automatic leave for male employees | <b>Infertility leave</b><br><br>10 days of paid leave | <b>Parental leave</b><br><br>Up to 2 years |
|----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------|--------------------------------------------|

# Talent Management

## Flexible working arrangements

LS Cable & System operates flexible working arrangements that reflect individual and organizational needs. Employees can choose flexible working hours and locations through staggered working hours, a flexible work schedule, and satellite offices. The Company also offers satellite offices, including the Working Lounge at the Seoul office, to expand workplace options. These arrangements reduce commuting and travel inefficiencies while improving workplace productivity.

## Encouraging leave utilization

LS Cable & System operates an annual leave calendar to support employees' rest and well-being. The Company encourages all employees, including senior management, to take extended summer leave, year-end leave, and consecutive leave, helping maintain productivity while fostering a culture of autonomy and accountability.

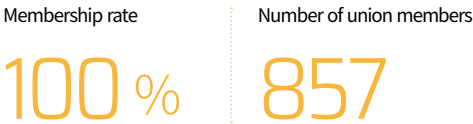
## Retirement pension plan

Since 2011, LS Cable & System has operated a retirement pension plan for all employees to support financial security after retirement. Employees may choose between a defined benefit (DB) plan and a defined contribution (DC) plan based on their needs. Detailed information on the retirement pension plan is available through the HR system at any time in accordance with Article 32 of the Employee Retirement Benefit Security Act.

## Labor-management relations

Our labor union has cooperated with the company to lead an organizational culture and fulfill corporate social responsibility based on mutual trust and respect since its launch of the labor union as the Anyang branch of the GoldStar chapter of the Federation of Korean Metal Workers Trade Unions in 1967. Labor and management have developed mutual understanding and trust. There have been no labor disputes over the 36 years since 1989.

### Number and rate of labor union membership



## Labor union operation

LS Cable & System respects the right of employees to associate, form labor unions, and engage in collective bargaining, as stipulated by the ILO Conventions and the Korean Labor Standards Act. Employees may voluntarily join and fully participate in union activities. As of the end of 2025, 89.1% of employees at all our worksites—including Gumi, Indong, and Donghae—are covered by collective bargaining agreements.

## Operation of labor-management communication channels

LS Cable & System operates a range of communication channels based on mutual trust, where labor and management regularly meet to improve the workplace and discuss key business matters and system changes, thereby fostering mutual understanding. The labor-management council convenes annually to address on-site concerns and improve working conditions. The labor union also conducts collective bargaining on working conditions, welfare benefits, and salary increases. All decisions from these meetings and negotiations are promptly communicated to employees to ensure transparency.

### Labor-management communication activities

| Communication activities              |                                                       | Key activities                                                                                                                                 |
|---------------------------------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Negotiation and consultation          | Collective bargaining                                 | Negotiations on wages and collective agreements; improving working conditions for employees                                                    |
|                                       | Labor-management council operation                    | Sharing business performance; deciding on first-half performance-based bonuses                                                                 |
| Communication and information sharing | On-site communication with management                 | Site visits and meetings between management and employees                                                                                      |
|                                       | Sharing business information                          | Regular business briefings to share operational performance and industry insights                                                              |
| Promoting organizational culture      | Joint labor-management social contribution activities | Operation of Chamsaranghoe at the Gumi and Indong sites and Jeongnanumhoe at the Donghae site<br>- Joint participation by labor and management |
|                                       |                                                       | Supporting local communities in need through a donation fund created from salary rounding contributions                                        |

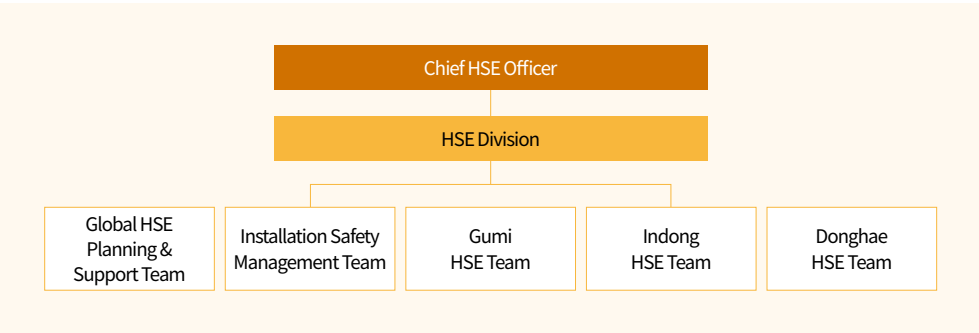
# Occupational Health and Safety

## Occupational health and safety management system

### Occupational health and safety governance

LS Cable & System operates an integrated occupational health and safety organization under the HSE Division, led by the Chief Health, Safety and Environment Officer (CHSEO). The HSE Division strengthens workplace safety, establishes management systems, and fosters a strong safety culture. Major health and safety performance and plans are reported to and approved by the Board of Directors. The Occupational Safety and Health Committee enables labor and management to discuss key health and safety issues and establish related policies.

### Occupational health and safety governance structure



### Safety and health committees

|                  | Occupational HSE Management Committee                                                                                                                                                        | Industrial HSE Committee                                                                                                                                                        | Worksite HSE Implementation Meeting                                                                                                                        |
|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Led by           | Chief HSE Officer                                                                                                                                                                            | HSE Division                                                                                                                                                                    | HSE Division                                                                                                                                               |
| Frequency        | Monthly                                                                                                                                                                                      | Quarterly                                                                                                                                                                       | Monthly                                                                                                                                                    |
| Members          | Chief HSE Officer and 16 committee members                                                                                                                                                   | 17 from management (including the safety and health officer) and 17 from the labor union (including the labor representative)                                                   | Team leaders, division heads, and production team leaders                                                                                                  |
| Key agenda items | <ul style="list-style-type: none"> <li>Establishment of accident prevention measures</li> <li>Compliance with legal requirements</li> <li>Sharing of key safety and health Issues</li> </ul> | <ul style="list-style-type: none"> <li>Review and resolution of key safety and health issues</li> <li>Joint labor-management inspections and improvement initiatives</li> </ul> | <ul style="list-style-type: none"> <li>Development of short- and long-term improvement plans based on health and safety Management agenda items</li> </ul> |

### Occupational health and safety policy

LS Cable & System has established an Occupational Health and Safety Policy to create a safe and healthy workplace. The Company places health and safety at the highest priority in all management decisions and business activities. The policy applies to the Company’s headquarters, manufacturing sites, and R&D center, and is regularly reviewed and updated to reflect regulatory and business environment changes. Based on this policy, LS Cable & System promotes Company-wide initiatives to build a strong safety culture and embed safety into daily operations.



# Occupational Health and Safety

## Certification of an occupational health and safety management system

As of December 2025, ten domestic sites and five overseas manufacturing subsidiaries have obtained ISO 45001 certification and established site-specific occupational health and safety management systems. The Company regularly monitors and improves the effectiveness of these systems.

### Operating sites certified to ISO 45001

\* As of December 2025

|          | Type                  | No. of worksites<br>subject to certification | No. of certified<br>worksites | Certification<br>rate(%) |
|----------|-----------------------|----------------------------------------------|-------------------------------|--------------------------|
| Domestic | LS Cable & System     | 4                                            | 3                             | 75%                      |
|          | Production subsidiary | 12                                           | 7                             | 58%                      |
| Overseas | Production subsidiary | 8                                            | 5                             | 63%                      |
| Total    |                       | 24                                           | 15                            | 63%                      |

\* LS Cable & System sites subject to assessment include the Gumi Plant, Indong Plant, Donghae Plant, and R&D Center

\*\* Subsidiaries that are holding companies, dormant, under liquidation, or in the process of establishment are excluded from the assessment scope

## Safety Culture Ladder (SCL) recertification

Safety Culture Ladder (SCL) certification is a mandatory requirement for bidding on TenneT projects. Since obtaining integrated certification in 2021, LS Cable & System has supported the successful award of TenneT’s Framework 2GW projects, including BalWin 1, LanWin 1&5, and NordOstLink. In 2025, the Company completed a third-party recertification audit covering its headquarters, all domestic worksites, and construction sites. The audit assessed the health and safety management system and employees’ safety culture, resulting in successful recertification. The recertification further strengthened the Company’s ability to meet the safety requirements of global customers.

### Safety Culture Ladder

A certification system jointly developed by TenneT, the Dutch state-owned power company, and the Royal Netherlands Standardization Institute

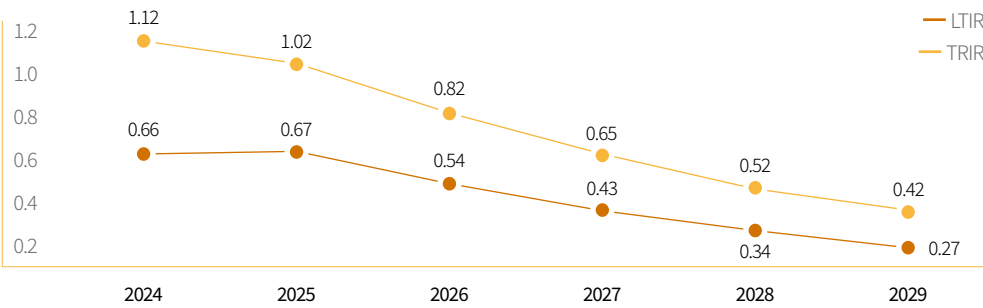
## Risk management

### Safety management targets

LS Cable & System has established company-wide accident reduction targets and is implementing key initiatives to provide a safe working environment. The Company has enhanced its safety management system by adopting global metrics, including the Lost Time Injury Rate (LTIR) and Total Recordable Injury Rate (TRIR), while promoting workplace safety through joint inspections with suppliers, risk mitigation, and safety training.

The Company sets annual TRIR reduction targets and aims to maintain a TRIR below 0.5 and LTIR below 0.3 over the long term. In 2026, LS Cable & System introduced a Serious Injury and Fatality (SIF) management framework, conducting comprehensive inspections and improvement activities for high-risk hazards.

### Annual accident rate results and targets



|                    | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|--------------------|------|------|------|------|------|------|
| LTIR <sup>1)</sup> | 0.66 | 0.67 | 0.54 | 0.43 | 0.34 | 0.27 |
| TRIR <sup>2)</sup> | 1.12 | 1.02 | 0.82 | 0.65 | 0.52 | 0.42 |

1) Lost Time Injury Rate

2) Total Recordable Injury Rate

# Occupational Health and Safety

## Preventing serious accident risks

### Managing key risk factors

LS Cable & System identifies potential risks and monitors regulatory compliance and facility conditions through regular environmental and safety assessments. Annual assessments with external experts evaluate occupational safety and health management systems and safety standards, supporting the continuous identification and improvement of workplace hazards.

**Internal** | Gumi, Indong, Donghae HSE teams / Frequency: Yearly

**External** | Professional safety inspection agency (Korea Industrial Safety Association) / Frequency: Yearly

### ※ High-risk focused safety assessments

We analyze nonconformities identified during routine safety inspections by type and root cause, and conduct monthly intensive safety checks on high-risk tasks and production processes with a higher likelihood of accidents. Each site is evaluated under the guidance of a dedicated safety inspection team to ensure that production activities are carried out in accordance with safety work plans and standard operating procedures. These efforts are part of our ongoing initiatives to eliminate critical accidents and strengthen workplace safety.

### Safety inspection process

| Hazard identification                                                                                                                                           | Action planning                                                                                                                                                                | Improvement activities                                                                                                                        | Monitoring                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>· Aging facilities</li> <li>· Non-compliance with safety regulations</li> <li>· Inadequate on-site management</li> </ul> | <ul style="list-style-type: none"> <li>· Predicting equipment lifespan</li> <li>· Developing compliance measures</li> <li>· Establishing on-site management systems</li> </ul> | <ul style="list-style-type: none"> <li>· Equipment monitoring</li> <li>· Conducting safety training</li> <li>· On-site inspections</li> </ul> | <ul style="list-style-type: none"> <li>· Performance tracking</li> <li>· Process refinement</li> </ul> |

### Safety and environmental investment (2025)

#### Investment in 2025

Approx. 3 billion KRW

Improvements: 30cases



Rotating equipment guards & interlock systems, outdoor hazardous materials storage, higher-capacity CCV tower lift



SCR dust collection upgrade, forklift fueling area (trench & oil-water separator), inertial dust collector

### Construction site safety management

Since the establishment of a dedicated team for construction site safety management in 2022, we have supported efforts to ensure safer worksites and a strong safety culture by providing ongoing monitoring, guidance, and training at both domestic and overseas construction sites. The team conducts monthly visits to worksites to carry out health and safety assessments. In parallel, proactive efforts are made to identify and mitigate potential risk factors, helping to protect employees and foster a safer working environment.

#### Smart HSE System

- Development of the SafeIN HSE management system
- Real-time CCTV monitoring for construction sites

#### Strengthening safety competencies

- Supervisor training
- Pre-construction safety training
- Safety meetings

2025

#### Safety Improvement Actions

169 Safety improvements  
across 200 sites

#### Embedding a safety culture

- Outstanding supplier awards (Semiannual)
- Safety reporting channel
- Overseas site HSE management framework
- 38 work safety standards



# Occupational Health and Safety

## Occupational health and safety risk assessment

In accordance with Article 36 of the Occupational Safety and Health Act, LS Cable & System conducts occupational health and safety risk assessments at all domestic worksites. In 2025, assessments were conducted twice at the Gumi, Indong, and Donghae worksites, the R&D center, construction sites, and offices. Corrective action plans were implemented for all identified hazards and risks, achieving a 100% completion rate.

### Risk assessment process

| Step 1                             | Step 2                                         | Step 3                                          | Step 4                                          | Step 5                              |
|------------------------------------|------------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------|
| <b>Preliminary preparation</b>     | <b>Hazard identification</b>                   | <b>Risk evaluation</b>                          | <b>Control measures and implementation</b>      | <b>Documentation</b>                |
| Develop risk assessment procedures | Identify hazards through workplace inspections | Evaluate risks and determine risk acceptability | Establish and implement risk reduction measures | Risk assessment records and results |

### 2025 Risk assessment improvement activities

| Incident type  | Hazard                                       | Improvement measures                                    |
|----------------|----------------------------------------------|---------------------------------------------------------|
| Caught-in      | • Entanglement risk from rotating equipment  | • Rotating equipment interlocks to prevent entanglement |
| Trip           | • Slip and trip risk from poor lighting      | • Improved lighting for better visibility               |
| Electric shock | • Electric shock risk during voltage testing | • AI CCTV monitoring for electrical safety              |
| Struck-by      | • Forklift collision risk from blind spots   | • Forklift blind-spot barriers to prevent collisions    |

### Follow-up actions on risk assessments

LS Cable & System analyzes the likelihood and severity of identified hazards and risks and establishes risk reduction measures through appropriate safety controls. Based on the assessment results, the Company prioritizes improvements for high-risk tasks and hazards while monitoring corrective actions to continuously reduce workplace risks.

## Emergency response

LS Cable & System operates a company-wide emergency response system to ensure prompt action in the event of an accident. Emergency response procedures are applied across all workplaces, and semiannual drills are conducted to verify response and recovery readiness. To prevent workplace accidents, the Company manages key risks related to entanglement and caught-in hazards, forklift collisions, and cuts through pre-work safety checks, joint inspections with external experts, and worker safety training.

All employees have the right to stop or refuse work in situations involving imminent danger. The Company also maintains emergency response procedures for natural disasters, including earthquakes and typhoons, to ensure effective emergency response across all workplaces.

|                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------|
| Emergency response areas                                                                                                               |
| Fire, occupational accidents, chemical incidents, radiation, earthquake, tsunami, typhoon / flood, infectious diseases, food poisoning |

## Strengthening safety management for overseas employees

LS Cable & System operates International SOS (I-SOS), a global safety support service, to protect the health and safety of employees working or traveling overseas. I-SOS provides 24/7 assistance for medical, security, natural disaster, terrorism, and infectious disease emergencies. Before, during, or after overseas assignments and business trips, employees can access medical and security consultations and local support through the I-SOS Assistance Centre. Services include medical referrals, appointment scheduling, medical interpretation, payment guarantees, emergency evacuation and repatriation, and psychological counseling. Country-specific risk information and real-time security alerts also help employees identify and prepare for potential risks, while the global response network enables rapid support during emergencies.

LS Cable & System will continue to strengthen its global safety management system to proactively manage risks faced by employees working overseas.

# Occupational Health and Safety

## Safety culture initiatives

### Zero serious accidents safety commitment

LS Cable & System is strengthening its occupational safety and health management system while fostering a strong safety culture to prevent serious workplace accidents. As part of these efforts, the Company held a Zero Serious Accidents Safety Commitment event, reinforcing a shared commitment to safety among management, employees, labor representatives, and business partners. The event brought together the CEO, the Chief Safety and Health Officer, supervisors, labor union representatives, and supplier representatives to strengthen organization-wide alignment on safety management. An industrial safety expert delivered a special lecture to raise awareness of key workplace risks, while participants reaffirmed their roles and responsibilities and pledged never to compromise on safety.



Zero serious accidents safety commitment

### Company-wide safety inspection day

LS Cable & System designates the first Wednesday of every month as Company-wide Safety Inspection Day to promote zero incidents at its production and construction sites and strengthen employees' safety awareness. Since its launch in January 2022, this joint labor-management initiative has encouraged employees to proactively identify safety risks and implement preventive measures.

### Inspection criteria and organization

| Criteria           |                                                            |
|--------------------|------------------------------------------------------------|
| Item               | Key inspection points                                      |
| Crane              | Check for defects in lifting tools used with crane         |
| Forklift           | Check for malfunction of forklift warning devices          |
| Rotating equipment | Check for missing protective devices on rotating equipment |
| Fall hazards       | Check for areas at risk of falls                           |
| Fire and explosion | Check for defective fire extinguishers                     |

| Inspection team structure                                                        |                                                                      |
|----------------------------------------------------------------------------------|----------------------------------------------------------------------|
| Mandatory inspection team                                                        | Joint inspection team                                                |
| Led by department heads<br>Managers (engineers)<br>Team leaders, and shift leads | Led by business group heads<br>Division heads<br>HSE team            |
| Conducting inspections of assigned sites using checklists                        | Conducting rotational inspections at one site per month              |
| Identifying and addressing potential hazards                                     | Following up on inspection activities carried out by each department |

# Occupational Health and Safety

### Identification and mitigation of Serious Injury and Fatality (SIF) risks

LS Cable & System has identified seven SIF (Serious Injury and Fatality) categories and 14 high-risk hazards based on its operational characteristics to prevent serious injuries and fatalities. The Company has established seven critical SIF safety rules. Across all worksites, improvement activities are carried out to achieve a 100% corrective action rate for identified SIF leading hazards. Employees are rewarded for reporting potential SIF hazards, while violations of the seven critical SIF safety rules are subject to penalties to strengthen the Company's safety culture.

#### Seven critical safety rules

|                            |                                                                                                                                                                                                                                                  |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 Falls                    | <ul style="list-style-type: none"><li>• Wear appropriate personal protective equipment (PPE) and use fall protection when working at heights</li><li>• Prevent unauthorized access by installing barricades around elevated work areas</li></ul> |
| 2 Struck-by                | <ul style="list-style-type: none"><li>• Establish exclusion zones to prevent contact with moving equipment</li><li>• Assign a signaler when operating forklifts and heavy equipment</li></ul>                                                    |
| 3 Fire / Explosion         | <ul style="list-style-type: none"><li>• Wear designated protective equipment during high-temperature work</li><li>• Remove combustible materials before hot work and assign a fire watch</li></ul>                                               |
| 4 Caught-in / Entanglement | <ul style="list-style-type: none"><li>• Do not remove machine guards or safety devices while equipment is operating</li><li>• Do not place any part of the body inside operating equipment</li></ul>                                             |
| 5 Confined Space           | <ul style="list-style-type: none"><li>• Measure oxygen concentration and hazardous gases before confined-space entry</li><li>• Ventilate confined spaces before entry</li></ul>                                                                  |
| 6 Electric Shock           | <ul style="list-style-type: none"><li>• Verify de-energization and isolation before electrical work</li><li>• Wear insulated protective equipment when working on energized electrical systems</li></ul>                                         |
| 7 Common                   | <ul style="list-style-type: none"><li>• Obtain an approved work permit before starting work</li><li>• Isolate energy sources and apply Lockout/Tagout (LOTO) before non-routine work</li></ul>                                                   |

Chief HSE/Head of Safety Management

### Supplier industrial health and safety management

#### Health and safety council and joint safety checks

Recognizing that supplier safety directly affects its own safety, LS Cable & System strives to strengthen partnerships and foster a strong workplace safety culture. Monthly safety management meetings with on-site suppliers are held at the Gumi, Indong, and Donghae worksites, and quarterly safety assessments are conducted to identify risks and implement improvement measures.

#### Win-Win cooperation programs

LS Cable & System conducts win-win cooperation programs with its in-house and external suppliers to help strengthen their health and safety management and establish a cooperative system for preventing industrial accidents. As part of its efforts to narrow health and safety gaps between the Company and its suppliers, the Company provides personnel and material support to ensure suppliers maintain the same level of safety when performing similar work.

#### Supplier health and safety assessment

LS Cable & System selects suppliers with strong health and safety capabilities to help prevent occupational accidents and evaluates their health and safety management practices during the supplier selection process. The Company also conducts annual assessments to verify that on-site suppliers meet required health and safety standards. The assessment consists of 12 evaluation criteria, and suppliers scoring below 60 out of 100 have their registration revoked and are restricted from performing work at LS Cable & System.

#### Health care program for high-risk age groups

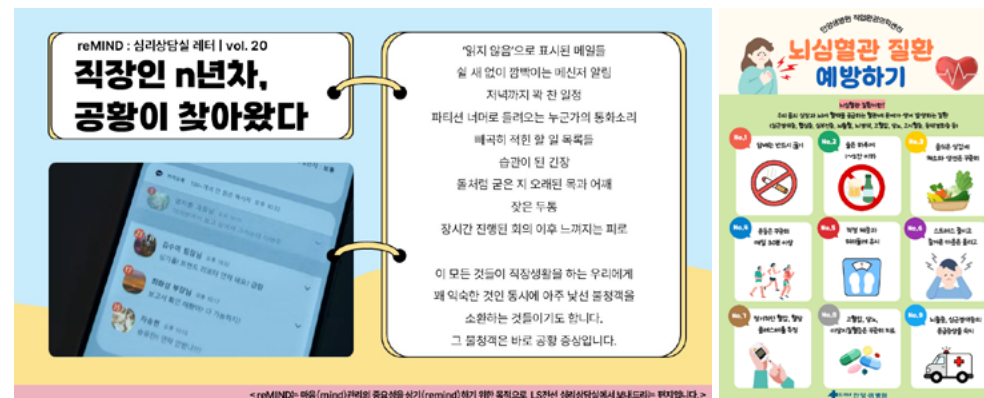
LS Cable & System operates a health management program for high-risk groups to improve the occupational health and safety of contractor employees. Employees aged 65 and older are designated as a key management group and receive regular health monitoring for major chronic conditions, including hypertension, diabetes, and dyslipidemia. The Company monitors workers' health through health management records, health consultations, pre-work health checks, and blood pressure monitoring. Based on consultations with on-site medical staff, work fitness is assessed and followed by individual health management.

# Occupational Health and Safety

## Employee health management

### Operation of health care and psychological counseling centers

LS Cable & System operates health care centers at its worksites to support employees' well-being. Since 2018, an in-house psychological counseling center has been available both online and offline, offering expert counseling, therapy, psychological assessments, team communication workshops, stress management training, and regular healing newsletters. All counseling records are kept strictly confidential in accordance with the counselors' Code of Conduct. At each worksite, full-time nurses provide health consultations and basic medical services, including over-the-counter medications and first aid for minor injuries. The centers also identify employees with potential health risks based on medical checkup results and provide tailored follow-up health management services.



Letter from the counseling center

On-site health consultation booth

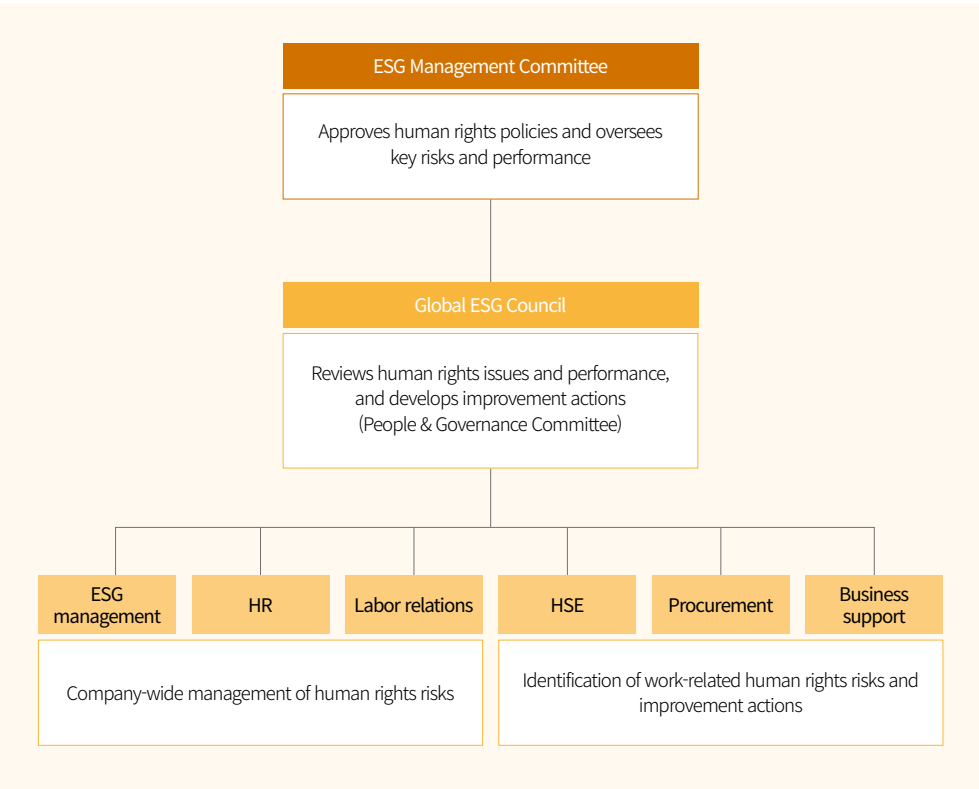
# Human Rights Management

## Human rights governance

### Governance structure

LS Cable & System regularly reports on the implementation of labor and human rights initiatives carried out by working-level functions at each business site through the ESG Management Committee and the Global ESG Council. Through this governance structure, the Company strengthens oversight, discusses long-term priorities, and drives the continuous improvement of its human rights management system.

### Governance structure



## Human rights strategy

### CEO Declaration on Human Rights

LS Cable & System publicly discloses the CEO Declaration on Human Rights, which applies to all employees and stakeholders across its business operations. The Declaration supports internationally recognized human rights standards, including the Universal Declaration of Human Rights (UDHR) and the UN Guiding Principles on Business and Human Rights (UNGPs). The Company also upholds the International Labour Organization (ILO) Core Conventions, including the prohibition of child labor and forced labor, as well as the UN Global Compact Ten Principles. Since its establishment, the Company has recorded zero cases of child labor, forced labor, or human trafficking. Going forward, it will extend its human rights principles across global operations and the supply chain to strengthen labor and human rights standards throughout the value chain.

### Human rights roadmap

LS Cable & System has established short-, mid-, and long-term ESG goals and strategies that reflect its human rights principles and developed a roadmap for implementing its human rights initiatives. The roadmap defines strategic directions and key initiatives for each phase, supported by monitoring measures to track implementation and progress.

### Human rights roadmap

| Phase           | Expansion Phase (2025-2026)                                                                                                                                                | Integration Phase (2027-2028)                                                                                                                                                             | Maturity Phase (2029-2030)                                                                                                                                                |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Direction       | Establishment & Stabilization                                                                                                                                              | Advancement & Integration                                                                                                                                                                 | Human Rights Leadership                                                                                                                                                   |
| Key initiatives | <ul style="list-style-type: none"><li>Establish the CEO Commitment</li><li>Establish a training system</li><li>Regularize HRIA and implement improvement actions</li></ul> | <ul style="list-style-type: none"><li>Policy reviews and updates</li><li>Enhance grievance and remediation mechanisms</li><li>Enhance the reporting system</li></ul>                      | <ul style="list-style-type: none"><li>Advance the management system</li><li>Develop and apply human rights assessment indicators</li><li>Promote best practices</li></ul> |
| Monitoring      | <b>Identification</b> <ul style="list-style-type: none"><li>Regular HRIA and employee human rights surveys</li></ul>                                                       | <b>Analysis and assessment</b> <ul style="list-style-type: none"><li>Analysis of human rights assessment and survey results</li><li>Analysis of applicable laws and regulations</li></ul> | <b>Feedback and improvement</b> <ul style="list-style-type: none"><li>Development of human rights KPIs</li><li>Promotion of management practices</li></ul>                |

# Human Rights Management

## Human rights risk management

LS Cable & System introduced a Human Rights Impact Assessment (HRIA) in 2025 to evaluate the impacts of its business activities on the human rights of stakeholders. Based on the assessment, the Company identifies actual and potential human rights risks and establishes improvement measures to prevent and mitigate adverse impacts. The assessment results are reflected in the Company's human rights management strategy and future initiatives.

### Overview of the Human Rights Impact Assessment

|        |                                                                                                                                                                                            |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Period | June 16–August 14, 2025                                                                                                                                                                    |
| Scope  | All domestic operations (Headquarters, Seoul Office, Gumi, Indong and Donghae sites, and R&D Center)                                                                                       |
| Areas  | Human rights governance, non-discrimination in employment, prohibition of forced labor, prohibition of child labor, occupational health and safety, and prevention of workplace harassment |

LS Cable & System conducted a preliminary assessment based on self-assessments and employee perception surveys, followed by an independent Human Rights Impact Assessment (HRIA) by external experts. The assessment criteria were developed with reference to the National Human Rights Commission of Korea's Human Rights Management Guidelines, and implementation was evaluated based on relevant policies and operational evidence. During the preliminary stage, the Company conducted employee training, self-assessments, and perception surveys. External experts then carried out site visits, document reviews, employee interviews, and focus group interviews (FGIs) to validate the findings and identify potential human rights risks. The final assessment results were derived from these comprehensive evaluation processes.

### Human rights impact assessment results

The overall achievement rate was 91.9%, indicating that LS Cable & System has established a sound human rights management system despite conducting its first Human Rights Impact Assessment (HRIA). However, opportunities for improvement were identified in strengthening the human rights management system, operational procedures, and certain aspects of humane treatment. Improvement actions have been assigned to responsible departments with defined implementation timelines. The Company will continue to enhance its HRIA process while proactively identifying and managing human rights risks to strengthen preventive human rights management.

|                          | Areas for improvement                                                                                                                                                                             | Improvement plan                                                                                                                                                                                           |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Governance               | <ul style="list-style-type: none"><li>Strengthening human rights leadership</li><li>Institutionalizing human rights management</li><li>Enhancing the existing grievance handling manual</li></ul> | <ul style="list-style-type: none"><li>Establishing R&amp;R for human rights management personnel</li><li>Enhancing guidelines on reporting, grievance procedures, and confidentiality principles</li></ul> |
| Protection in workplace  | <ul style="list-style-type: none"><li>Strengthening investigator expertise for workplace bullying and sexual harassment cases</li><li>Expanding employment of persons with disabilities</li></ul> | <ul style="list-style-type: none"><li>Human rights training for in-house specialists</li><li>Developing suitable jobs for persons with disabilities</li></ul>                                              |
| Responsible supply chain | <ul style="list-style-type: none"><li>Monitoring suppliers' compliance with human rights protection requirements</li></ul>                                                                        | <ul style="list-style-type: none"><li>Integrating ESG-related criteria into supplier evaluations</li></ul>                                                                                                 |

## Human rights risk prevention

### Human rights training

Employees receive annual mandatory training on workplace harassment prevention, sexual harassment prevention, and disability awareness, as well as specialized training on human rights management, human rights risks, relevant regulations, and industry trends. In 2025, the Company trained its Human Rights Management Task Force on the human rights management system and Human Rights Impact Assessment (HRIA) methodology. Gender equality training is also provided to recruitment interviewers to promote fair hiring practices and prevent gender discrimination during the recruitment process.

### Employee human rights training

| Disability awareness training                                                                                                                                                    | Sexual harassment prevention training                                                                                                                      | Workplace bullying prevention training                                                                         | Provided to all employees |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|---------------------------|
| <ul style="list-style-type: none"><li>Understanding disabilities and the prohibition of discrimination</li><li>Types of disabilities and improving workplace awareness</li></ul> | <ul style="list-style-type: none"><li>Workplace sexual harassment and related case studies</li><li>Relevant laws and how to respond to incidents</li></ul> | <ul style="list-style-type: none"><li>Relevant legislation on bullying</li><li>Prevention guidelines</li></ul> |                           |
| 100% completion rate                                                                                                                                                             |                                                                                                                                                            |                                                                                                                |                           |



# Human Rights Management

## Preventing discrimination and harassment

LS Cable & System maintains policies and management standards to prevent discrimination, harassment, and sexual harassment in the workplace and to ensure equal treatment for all employees. The Company prohibits any form of discrimination or unfair treatment based on gender, age, race, disability, religion, political opinion, place of origin, or other protected characteristics. It also strictly prohibits physical or psychological harassment, abuse of authority, and any conduct that causes sexual humiliation or hostility. Any reported cases of discrimination or harassment are addressed promptly in accordance with the Company's Rules of Employment, with appropriate disciplinary actions taken where necessary. Through these measures, the Company fosters a respectful, inclusive, and safe workplace where all employees are treated with dignity and respect.

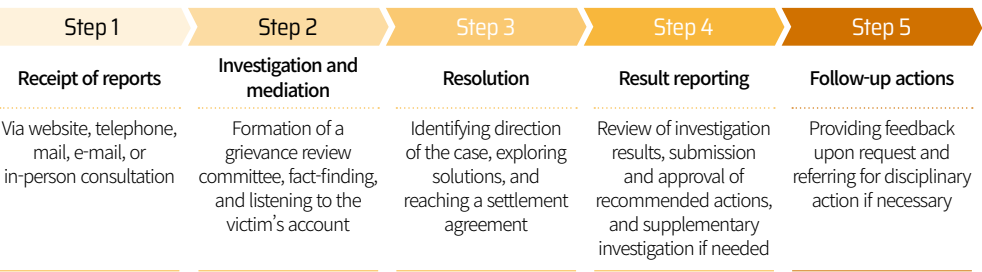
## Human rights grievance mechanism and remediation

LS Cable & System operates a grievance mechanism to protect employees' human rights. Through its Cyber Reporting Channel, employees can freely report workplace harassment, sexual harassment, inappropriate instructions, and other human rights violations or workplace misconduct. All reports are handled with strict confidentiality, and the Company protects whistleblowers from retaliation or any form of disadvantage. The Company has established a structured response process centered on protecting affected employees, including fact-finding investigations, mediation, disciplinary reviews, notification of outcomes, and appropriate personnel actions. Follow-up monitoring is also conducted to ensure that risks are effectively resolved and corrective measures are implemented.

### Grievance reporting channels



### Grievance handling process



## Future plans

LS Cable & System will continue to expand the scope of its human rights policies and management system to cover a broader range of stakeholders. Building on its human rights risk identification process, the Company will strengthen its approach to identifying and addressing human rights risks and continuously improve its human rights performance. The Company will also review and enhance its human rights policies and practices in alignment with the UN Guiding Principles on Business and Human Rights (UNGPs) and other internationally recognized human rights reporting frameworks, further advancing its commitment to respect for human rights.

### Potential human rights risks and response activities

| Potential risk areas                                    | Stakeholders                            | Response activities                                                                                                                                                                                                                        |
|---------------------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Human rights governance                                 | Employees, Suppliers, Local communities | <ul style="list-style-type: none"> <li>Implementation of HRIA</li> <li>Human rights risk management</li> <li>Establishment of the Human Rights Management Policy</li> </ul>                                                                |
| Compliance with working conditions                      | Employees, Suppliers                    | <ul style="list-style-type: none"> <li>Execution of employment contracts</li> <li>Implementation of flexible work arrangements</li> <li>Ongoing working hours management and employee welfare programs</li> </ul>                          |
| Prohibition of forced labor, Prohibition of child labor | Employees, Suppliers                    | <ul style="list-style-type: none"> <li>Prohibition of employment contracts that violate the Labor Standards Act</li> </ul>                                                                                                                 |
| Prevention of workplace harassment                      | Employees                               | <ul style="list-style-type: none"> <li>Workplace bullying prevention training</li> <li>Workplace sexual harassment prevention training</li> <li>Grievance counseling and reporting for workplace bullying and sexual harassment</li> </ul> |
| Safety assurance                                        | Employees, Suppliers                    | <ul style="list-style-type: none"> <li>Regular employee health checkups</li> </ul>                                                                                                                                                         |
| Freedom of association and collective bargaining        | Employees                               | <ul style="list-style-type: none"> <li>Compliance with labor laws</li> <li>Labor union operations</li> <li>Collective bargaining and collective agreements</li> </ul>                                                                      |
| Environmental protection                                | Local communities                       | <ul style="list-style-type: none"> <li>GHG reduction initiatives</li> <li>Strengthening wastewater and hazardous substances management</li> </ul>                                                                                          |

# Human Rights Management

## Diversity and inclusion

### Diversity and inclusion policy

LS Cable & System has established a Diversity and Inclusion Policy to foster an organizational culture where diverse talent can freely share ideas through creativity and innovation. The Company prohibits discrimination based on gender, race, ethnicity, nationality, cultural background, disability, age, gender identity, political or religious beliefs, social status, or any other protected characteristic. Through this policy, the Company promotes diversity, inclusion, and equal opportunity across the workplace.

### Preventing workplace discrimination

LS Cable & System respects the human rights of all employees and prohibits discrimination in accordance with Article 6 (Equal Treatment) of the Labor Standards Act. The Company ensures equal opportunity throughout the employment lifecycle—including recruitment, promotion, compensation, training, and retirement—without discrimination based on gender, nationality, religion, social status, or other protected characteristics. Employment opportunities are provided based on individual capabilities, and employees are rewarded fairly according to their performance.

### Promoting gender diversity

LS Cable & System fosters an inclusive workplace where employees can maximize their capabilities and strengths. Leaders are appointed based on fair and objective criteria, including competence, expertise, and leadership, regardless of gender. As more women continue to demonstrate strong leadership potential, the Company expects the representation of women in leadership positions to increase over time.

**Ensuring equal pay** | LS Cable & System operates a compensation system that ensures equal pay for employees performing the same job at the same grade, regardless of gender. Compensation is determined based on fair performance evaluation criteria, and the Company ensures that employees at the same grade and salary level receive equal pay regardless of gender.

### Gender pay gap (unit: %)

|                                                       | 2025 |
|-------------------------------------------------------|------|
| Ratio of women's base salary to men's base salary (%) | 100  |
| Executives                                            | 100  |
| Managers                                              | 100  |
| Staff                                                 | 100  |

Ratio of women's base salary  
to men's base salary in 2025

100%

**Representation of women employees** | Women account for 16.9% of LS Cable & System's office employees, while women in managerial office positions represent 7.5%. Reflecting the nature of its manufacturing-based business, the proportion of women employees remains relatively limited. However, the Company ensures that recruitment and employment practices are free from gender discrimination. It also supports women's career continuity through maternity and childcare programs, helping employees balance their professional and family responsibilities.

### Employees by gender

|                     |                                              |                | Unit     | 2023 | 2024  | 2025  |
|---------------------|----------------------------------------------|----------------|----------|------|-------|-------|
| Employees by gender | Male                                         | Production     | Employee | 976  | 917   | 928   |
|                     |                                              | Administrative | Employee | 989  | 1,018 | 1,065 |
|                     | Female                                       | Production     | Employee | 0    | 0     | 0     |
|                     |                                              | Administrative | Employee | 193  | 195   | 217   |
|                     | Percentage of female in the total workforce  |                | %        | 16.3 | 16.1  | 16.9  |
|                     | Managers (Male+female)                       |                | Employee | 731  | 751   | 718   |
|                     | Male managers                                |                | Employee | 684  | 700   | 664   |
|                     | Female managers                              |                | Employee | 47   | 51    | 54    |
|                     | Percentage of female in management positions |                | %        | 6.4  | 6.8   | 7.5   |

\* Female employees exclude production employees

**Providing support for work-life balance** | LS Cable & System provides support for maternity protection, including pregnancy checkups, working hour reduction, and pre- and post-maternity leave to reduce the burden of childbirth and child care on our employees and to help them balance work with family life. As its employees are strongly encouraged to take parental leave, the number of male employees using this benefit has been rising every year. In 2025, a total of 46 employees took the leave and 47 employees took pre- or post-maternity leaves.

# Human Rights Management

## Expanding employment opportunities for persons with disabilities

LS Cable & System promotes the employment of persons with disabilities by identifying suitable job opportunities and improving workplace accessibility based on the characteristics of each worksite and job role. The Company expands employment opportunities through job suitability assessments while enhancing workplace accommodations and support systems to enable stable and sustainable employment.

**Operating a performing arts group for persons with disabilities** | LS Cable & System operates the BeSol Performing Arts Group to promote the employment and vocational rehabilitation of persons with disabilities through arts and culture. Comprising musicians specializing in classical and traditional Korean music, the group performs at Company events and worksites to raise disability awareness and foster an inclusive workplace culture. In November 2025, the Company established Nuriieum, a subsidiary-type standard workplace, to strengthen sustainable employment for persons with disabilities. All members of the performing arts group were transferred to the new entity, creating a more stable employment structure while supporting both artistic activities and professional development. The Company also continues to explore opportunities to expand employment and diversify job roles beyond the performing arts.

**Indirect employment through Butyi** | LS Cable & System has been contributing to supporting people with disabilities through indirect employment in cooperation with Butyi since April 2017. The company was established to provide stable jobs to the socially vulnerable, including the disabled, according to the ‘subsidiary-type standard business system’ of the Korea Employment Agency for the Disabled and the Act on Employment Promotion and Vocational Rehabilitation for Disabled Persons.

# Product Quality and Responsibility

## Quality management policy

LS Cable & System has established a Company-wide quality management policy with customer satisfaction as its highest priority. The policy applies to all domestic worksites (Gumi, Indong, and Donghae) as well as domestic and overseas manufacturing subsidiaries, ensuring compliance with applicable regulations and customer requirements while providing safe and reliable products and services. The quality management team reviews and updates the policy annually, subject to CEO approval.



## Quality management system

LS Cable & System provides power and data transmission infrastructure for global markets across energy, telecommunications, industrial cables, and materials. The Company obtains and maintains internationally recognized quality certifications to meet customer requirements and respond to market changes. It also operates product-specific quality management systems and continuously improves quality by incorporating customer feedback (VoC), regulatory requirements, and internal management improvements.

### List of certifications

\* As of December 2025

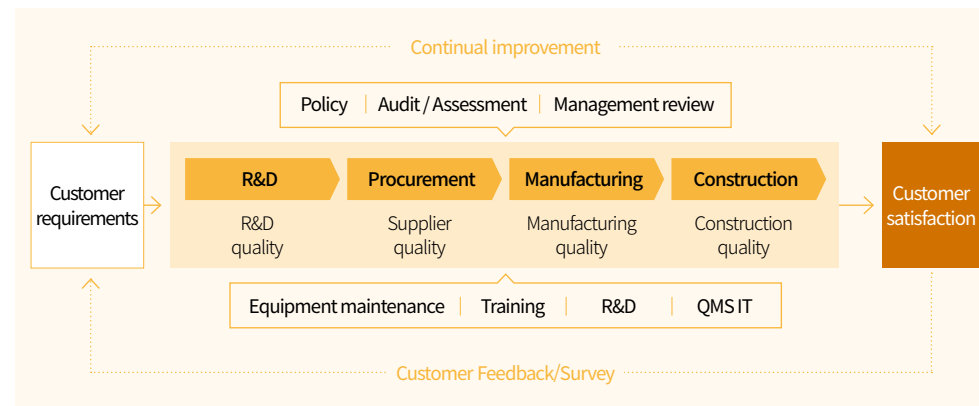
| Scope of Application  |                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ISO 9001              | <ul style="list-style-type: none"> <li>Power transmission, distribution and submarine cables, and connection materials</li> <li>Industrial and telecommunications cables, and wiring materials</li> <li>Bus ducts, materials, and cables for industrial equipment</li> <li>EHV transmission systems (underground/overhead), submarine cable systems, and nuclear power cable systems</li> </ul> |
| IATF 16949            | Automotive products, tubing                                                                                                                                                                                                                                                                                                                                                                     |
| TL 9000               | Telecommunications                                                                                                                                                                                                                                                                                                                                                                              |
| ISO 22163             | Railway quality management system (industrial specialty cables, industrial equipment)                                                                                                                                                                                                                                                                                                           |
| KEPIC                 | Nuclear power (industrial specialty cables)                                                                                                                                                                                                                                                                                                                                                     |
| Product Certification | CPR (Construction Products Regulation), railway, explosion-proof, building, and shipboard applications                                                                                                                                                                                                                                                                                          |
| ISO 21502             | Turnkey project management system (engineering, procurement, and construction)                                                                                                                                                                                                                                                                                                                  |
| ISO 27001             | Information security management system                                                                                                                                                                                                                                                                                                                                                          |

# Product Quality and Responsibility

## Quality innovation committee

LS Cable & System operates the Quality Innovation Committee, a Company-wide decision-making body, to strengthen its global quality competitiveness. Chaired by the CEO and joined by senior executives and Division Heads, the Committee serves as the Company's highest quality governance body, overseeing mid- to long-term quality strategies, execution plans, and key quality initiatives. It also reviews priorities for resources, infrastructure, and process improvements to strengthen quality competitiveness. The Committee meets quarterly to reinforce the consistency and execution of the Company's quality management system.

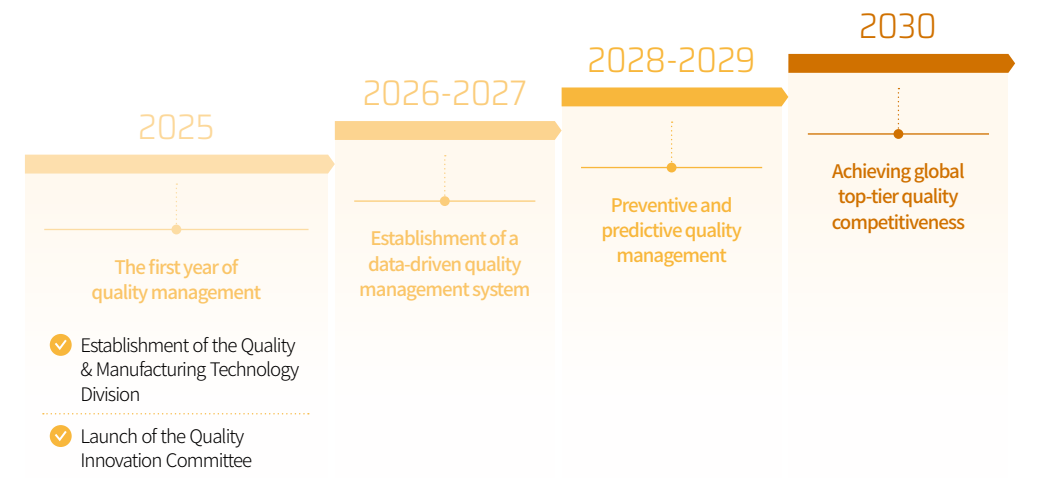
## Key discussion topics



## Establishing a quality competitiveness roadmap

In 2025, LS Cable & System strengthened its Company-wide quality management system by establishing the Quality & Manufacturing Technology Division as an independent organization. The Company reviewed quality processes across product development, procurement, manufacturing, testing, and construction, identifying key improvement priorities. These initiatives are being implemented through a phased roadmap, while the transition to a data-driven quality management system strengthens preventive and predictive quality capabilities. LS Cable & System aims to achieve global top-tier quality competitiveness by 2030.

## Quality competitiveness roadmap



# Product Quality and Responsibility

## Strengthening differentiated quality capabilities

### Quality academy

LS Cable & System operates the Quality Academy, an in-house talent development program, to strengthen quality mindsets and management capabilities. In 2025, the fourth Quality Academy cohort offered three tailored programs: Quality Pro for engineers, Quality Master for employees pursuing ISO 9001 Provisional Auditor certification, and Field Improvement Leader for production employees.

The curriculum uses internal data and real business cases to enhance practical application. Hands-on training linked to workplace improvement develops quality professionals and strengthens on-site improvement capabilities. The Company also introduced refresher training to support continuous capability development.

#### Training programs ① : Participants ② : Courses ③ : Schedule

|                        |                                                                                                                                                                                       |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Quality Pro            | ① Employees from development, production, QA, R&D, and subsidiaries<br>② International standards, basic statistics, statistical analysis, and risk management<br>③ March–June (12 MD) |
| Quality Master         | ① Quality Pro certification holders or Certified Quality Management Engineers<br>② ISO 9001 Lead Auditor<br>③ July (5 MD)                                                             |
| On-site Quality Leader | ① Circle secretaries and above<br>② QC tools, statistics, Minitab, quality control circles, and 3J5S<br>③ March–August (10 MD per plant)                                              |

#### Program graduates

|                                 |                  | Head office | Subsidiaries | Total |
|---------------------------------|------------------|-------------|--------------|-------|
| 2023<br>(2 <sup>nd</sup> class) | Quality Pro      | 23          | 5            | 28    |
|                                 | Quality Master   | 13          | 2            | 15    |
|                                 | Quality Pro      | 25          | 4            | 29    |
| 2024<br>(3 <sup>rd</sup> class) | Quality Master   | 7           | -            | 7     |
|                                 | Future leader    | 54          | -            | 54    |
|                                 | Shopfloor leader | 12          | -            | 12    |
| 2025<br>(4 <sup>th</sup> class) | Quality Pro      | 16          | 8            | 24    |
|                                 | Quality Master   | 6           | 1            | 7     |
|                                 | Shopfloor leader | 34          | -            | 34    |

#### Performance by function

| Engineers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Production workers                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• <b>(1<sup>st</sup> audit)</b> Internal audits for ISO 9001, IATF 16949, and TL standards</li> <li>• <b>(2<sup>nd</sup> audit)</b> - Quality inspection at busduct installation sites               <ul style="list-style-type: none"> <li>- Process audit of conductor manufacturing at a communications cable supplier</li> </ul> </li> <li>• <b>(Quality assessment)</b>: Quality assessment for the DC 525 kV R&amp;D project</li> <li>• <b>(Quality analysis)</b>: Performance analysis of 1 Gbps Ethernet cables</li> <li>• <b>(Process improvement)</b>: Establishing the quality management system for LS EV Korea</li> </ul> | <ul style="list-style-type: none"> <li>• <b>(Project execution)</b>: Increased completion rate of shopfloor theme projects (up 5% YoY)</li> <li>• <b>(Improvement impact)</b>: Increased achievement rate of improvement targets (up 16% YoY)</li> <li>• <b>(Performance sharing)</b>: Awarded at the Quality Circle competition</li> <li>• <b>(3J5S)</b>: Award-winning workplace improvement project</li> </ul> |

### Internal quality auditors

LS Cable & System operates an internal quality auditor program to continuously improve its quality management system. Qualified internal auditors conduct regular audits based on ISO 9001 and IATF 16949 standards. In 2025, audits evaluated key business processes across each department for objective alignment, operational effectiveness, and compliance with major standards. The Company also reviewed the consistency between documented procedures and actual operations, while systematically identifying nonconformities and potential risks. Audit results were shared with relevant departments and followed by corrective actions, resulting in the identification and resolution of 71 major risks in 2025.

### Shopfloor innovation and quality improvement

LS Cable & System operates shopfloor-driven innovation programs to improve product quality and productivity. Through employee participation initiatives, including Quality Circles, Suggestion Activities, and 3J+5S Activities, the Company systematically identifies improvement ideas from production sites and applies them to process optimization and operational efficiency, enhancing both product quality and manufacturing performance.

Quality Circle activities serve as a core program for fostering a culture of continuous improvement. Outstanding practices are shared annually, and performance-based recognition encourages employee-led innovation. Through these shopfloor initiatives, LS Cable & System continues to strengthen quality, improve operational efficiency, and enhance execution across the organization.

#### Shopfloor innovation activities

| Quality circle                                                                                                                                                    | Suggestion activities                                                                                                                                  | 3J + 5S activities                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| Employees form quality circles that select themes such as quality, cost, delivery, and safety, helping enhance on-site competitiveness and promote mindset change | Employees identify problems and propose improvement ideas during daily operations at production sites<br>* Improvements completed in 2025: 21,335cases | A culture of continuous on-site improvement is fostered by adhering to the basics of quality and safety, aiming to identify and promote exemplary sites |



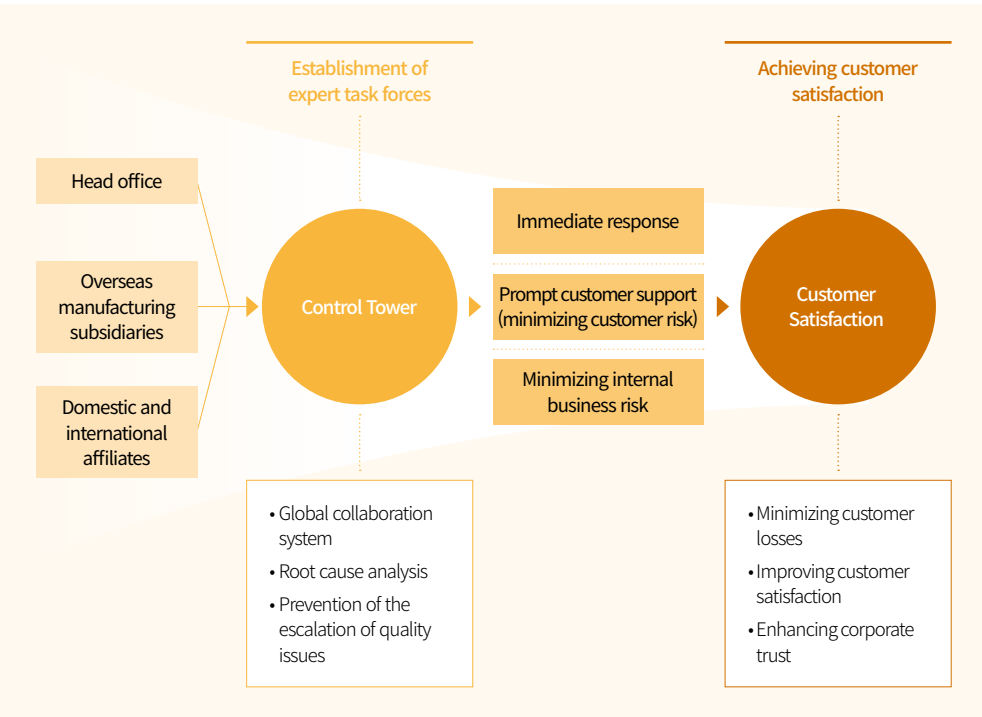
# Product Quality and Responsibility

## Quality control tower

### Quality risk management system

LS Cable & System has established a Company-wide quality risk management system to respond effectively to quality issues across its global operations. Centered on a Quality Control Tower, the system connects headquarters, overseas manufacturing subsidiaries, and domestic affiliates to enable early identification and response through cross-functional collaboration. Standardized root cause analysis and response procedures help ensure consistent customer communication while minimizing the impact of quality risks.

### Rapid response system



### Supplier quality forum

LS Cable & System operates a supplier quality management system to strengthen quality competitiveness through collaboration with suppliers. The Company establishes joint quality improvement plans, monitors supplier performance using key quality indicators, and systematically manages quality issues. Regular supplier quality forums share best practices and quality standards, while QA engineers conduct on-site assessments when needed to identify improvement opportunities. These efforts strengthen supplier quality alignment and enhance quality stability across the supply chain.

### Supplier support activities

| Target suppliers                                                                        | Support provided                                                                       | Responsible department(QA)                | Quality forum Operation | Guidance and support |
|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|-------------------------------------------|-------------------------|----------------------|
| ① High technical capability and procurement volume<br>② Suppliers with quality problems | - 61 supplier quality forums conducted<br>- 59 quality guidance and support activities | Underground & overhead                    | 4 cases                 | 18 cases             |
|                                                                                         |                                                                                        | Power distribution                        | 50 cases                | 33 cases             |
|                                                                                         |                                                                                        | Telecommunications & Industrial solutions | 7 cases                 | 8 cases              |

| Key area                    | Details of support activities               |                                                                     | Period         |
|-----------------------------|---------------------------------------------|---------------------------------------------------------------------|----------------|
| Electric equipment          | Outsourced components                       | Supplier quality audits                                             | February       |
| Telecommunication cables    | Coaxial cable                               | Automated measurement software                                      | April          |
| Materials                   | SCR                                         | Wire breakage information management                                | May            |
| Power distribution cables   | LV, MV, wire types                          | Standardized inline inspection                                      | May            |
| Industrial specialty cables | Railway rolling stock cables                | Extrusion quality and strippability improvements                    | July           |
| Submarine cables            | Sheathing materials, conductors             | On-site quality inspections                                         | September      |
| Industrial devices cables   | Automotive wires, tubes, industrial devices | Development, delivery, and quality issue reviews / UL certification | April–December |
| Overhead line               | Invar, optical fiber cable                  | Supplier quality audits                                             | June–December  |
| Busduct                     | PH BOX                                      | Quality management standardization                                  | July–December  |

# Product Quality and Responsibility

## Customer complaint management system

LS Cable & System operates the Customer Complaint Management Policy to strengthen customer-focused quality management and product responsibility. The policy establishes a systematic process for receiving, analyzing, and resolving customer feedback and complaints while preventing recurrence. Customer issues related to product quality, safety, and services are classified into Claims, Complaints, After-sales Service, and Recalls for structured management. Issues affecting customer safety or causing significant impact are given priority, with prompt action, root cause analysis, and follow-up measures to prevent recurrence.

## Customer complaint response process

LS Cable & System manages customer complaints through a standardized response process. Reported issues are promptly shared with relevant departments, followed by root cause analysis, corrective actions, and preventive measures to ensure timely resolution and prevent recurrence.



## Performance management

LS Cable & System measures and manages the Customer Complaint Loss Rate as a key performance indicator (KPI) to evaluate the effectiveness of its customer complaint management system. The Company reviews performance annually and uses the results to drive continuous quality improvement and strengthen customer satisfaction.

| KPI                          | Unit | 2023  | 2024  | 2025  |
|------------------------------|------|-------|-------|-------|
| Customer Complaint Loss Rate | ppm  | 3,853 | 2,626 | 1,713 |

## Product safety impact assessment

LS Cable & System operates a product safety management system to proactively identify and mitigate potential safety risks associated with automotive, power transmission, and wiring protection products. Potential risks, including overheating, insulation failure, fire, functional failure, and damage caused by wear, vibration, or degradation, are systematically assessed to ensure product safety and reliability. Product safety impact assessments are conducted throughout product development, mass production, and engineering changes by a cross-functional team comprising Quality, R&D, Manufacturing, Procurement, and suppliers. The Company identifies potential hazards, implements risk mitigation measures, and verifies their effectiveness to ensure compliance with customer requirements and product safety standards. Assessment results are managed through internal approval procedures, while product and process changes follow established evaluation and approval processes. Operating under an IATF 16949-certified quality management system, LS Cable & System systematically conducts product safety impact assessments throughout the product lifecycle.

## Assessment process

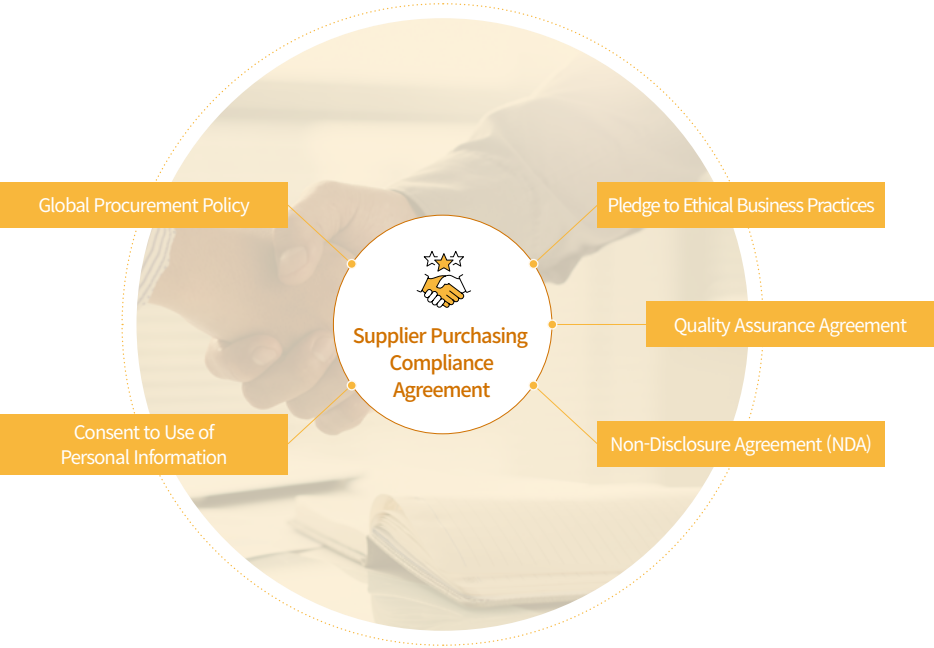
| Hazard identification                                                                                                                             | Definition of safety characteristics                                                                                                                                                           | Establishment of control plans                                                                                     | Verification and approval                                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| Apply FMEA (Failure Mode and Effects Analysis) during the design and manufacturing process to identify potential failure modes and their effects. | Define safety characteristics, including conductor resistance, insulation thickness, insulation performance, heat and low-temperature resistance, abrasion resistance, and chemical resistance | Establish Control Plans based on FMEA results and incorporate them into work instructions and inspection standards | Verify product-specific requirements and complete the approval process. When changes occur, update quality documents, including FMEA and Control Plans |

# Suppliers

## Supplier selection and management

### Supplier selection

LS Cable & System ensures fairness and transparency in supplier selection by managing the entire process—from bid registration to final selection—through its E-Procurement System (E-Pro). Competitive bidding is the standard approach, except where new technologies or customer requirements require otherwise. Prospective suppliers undergo document reviews and on-site audits covering production capability, quality, financial stability, environmental management, occupational health and safety, and labor management. During the contracting process, suppliers are required to sign five compliance commitments, including the Global Procurement Policy and the Ethical Management Pledge, reinforcing responsible supply chain management.



### Supplier Code of Conduct

Based on the OECD Guidelines for Multinational Enterprises and the RBA Code of Conduct, LS Cable & System established its Supplier Code of Conduct to support suppliers in strengthening their sustainability management systems. Introduced in 2024, the Code covers compliance and business ethics, environmental protection, human rights, occupational health and safety, and management systems, and is reviewed annually to reflect evolving regulatory requirements and stakeholder expectations. To promote compliance, the Code is published on the Company's E-Procurement System (E-Pro), making it accessible to all suppliers.

### Supplier Code of Conduct

| Compliance and ethical management          | Environmental management                           | Respect for human rights                         | Safety management                                      | Management system                      |
|--------------------------------------------|----------------------------------------------------|--------------------------------------------------|--------------------------------------------------------|----------------------------------------|
|                                            |                                                    |                                                  |                                                        |                                        |
| Compliance with laws and regulations       | Compliance with environmental laws and regulations | Adherence to human rights standards              | Compliance with occupational health and safety systems | Declaration of commitment to policies  |
| Fair trade practices                       | Reduction of greenhouse gas emissions              | Promotion of diversity and inclusion             | Risk assessment and mitigation                         | Understanding customer requirements    |
| Win-win cooperation with partners          | Control of pollutant emissions                     | Prohibition of discrimination                    | Emergency preparedness and response                    | Risk assessment and control            |
| Protection of intellectual property rights | Waste management                                   | Freedom of association and collective bargaining | Hygiene and workplace safety                           | Self-assessment and corrective actions |
| Protection of personal information         | Compliance with environmental regulations          | Protection of community rights                   | Chemical management                                    | Operation of grievance mechanisms      |
| Responsible sourcing of raw materials      | Green purchasing practices                         | Prohibition of child labor                       | Provision of protective equipment                      |                                        |
|                                            |                                                    | Prohibition of forced labor                      |                                                        |                                        |

### Global procurement overview

As of 2025, LS Cable & System procures approximately 3.3 trillion KRW worth of goods, raw materials, and non-ferrous metals from 1,285 domestic and international suppliers. Approximately 22% of total procurement is sourced from overseas suppliers, reflecting the Company's stable supplier relationships supported by its global supply chain network.

# Suppliers

## Supplier assessment

### Regular assessments

#### Identification of key suppliers

LS Cable & System classifies suppliers as key suppliers when their annual transaction volume exceeds predefined thresholds (500 million KRW or more in procurement value and 10 or more deliveries). Key suppliers undergo annual assessments to strengthen their capabilities and reinforce long-term partnerships with the Company.

#### Regular assessments

LS Cable & System conducts annual assessments and on-site audits of key suppliers. Suppliers are evaluated across five criteria, covering operational capabilities—including quality (defect and improvement rates), cost competitiveness, on-time delivery, and collaboration (e.g., quality improvement proposals)—as well as non-financial risk areas such as compliance, environmental management, and human rights and labor practices. Assessment results are used to determine continued business relationships with suppliers. In 2025, 482 suppliers underwent regular assessments.

#### Regular assessments

|                        |                                                                                                                                                                                          |
|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Scope                  | · Key suppliers with annual procurement of 500 million KRW or more and at least 10 deliveries                                                                                            |
| Method                 | · Evaluation based on five criteria: Quality, Cost, Delivery, Service, and Risk                                                                                                          |
| Rating                 | · Five-tier rating system (S, A, B, C, and D)                                                                                                                                            |
| Application of results | · High-performing suppliers: 1-year business guarantee & joint improvement programs<br>· Underperforming suppliers: Reassessment; business restrictions if improvement rate is below 80% |

#### Management of underperforming suppliers

Rather than terminating business relationships, LS Cable & System provides underperforming suppliers with opportunities to improve. Suppliers identified through the annual assessment are given a six-month improvement period to implement corrective actions. Improvement progress is then reviewed through a desktop assessment, and suppliers that do not meet the required performance level undergo reassessment for export-related products. Suppliers with an implementation rate below 80% after reassessment may be subject to business restrictions.

#### Approved Vendor List (AVL)

LS Cable & System designates suppliers that pass its regular assessments as members of the Approved Vendor List (AVL) and provides various incentives. In 2025, the Company managed 537 approved suppliers across 113 product categories, strengthening a stable supply base. AVL suppliers are guaranteed business opportunities for one year, reducing uncertainty associated with sales fluctuations. They are also eligible to participate in joint improvement initiatives and supplier development programs. Suppliers removed from the AVL may reapply through the same qualification process as new suppliers and must submit corrective action plans addressing the reasons for their removal. Through this process, LS Cable & System promotes continuous improvement, strengthens supplier competitiveness, and enhances sustainable supply chain management.

#### ESG self-assessment

LS Cable & System conducts ESG self-assessments for suppliers with procurement volumes above a specified threshold, enabling them to identify ESG risks and opportunities for improvement. The program supports suppliers in strengthening their ESG management capabilities through self-evaluation. In 2025, the Company distributed self-assessment checklists to 66 domestic suppliers, of which 57 participated. Among participating suppliers, 49 achieved a rating of Good or higher. LS Cable & System will continue supporting suppliers in enhancing their ESG capabilities and strengthening sustainability across the supply chain.

#### New supplier assessment

LS Cable & System conducts ESG screening for prospective suppliers during the registration process. Suppliers are assessed against six knock-out criteria—environmental pollution, occupational health and safety, conflict minerals, forced labor, unfair business practices, and financial creditworthiness. Suppliers identified as high risk from a sustainability perspective are restricted from entering into business relationships. Following onboarding, the Company conducts regular ESG assessments and on-site audits using a checklist covering environmental, social, and anti-corruption factors. These assessments are used to evaluate suppliers' ESG performance and management capabilities.

# Suppliers

## Supply chain ESG management

### ESG due diligence across the supply chain

LS Cable & System manages ESG risks across its supply chain to minimize adverse environmental and social impacts. To this end, the Company operates a structured due diligence process covering ESG assessment checklists, supplier risk screening, desktop assessments and on-site audits, ESG risk identification, and corrective action and monitoring.

#### Supply chain ESG due diligence process



### ESG assessment checklist

LS Cable & System has developed an 83-item ESG assessment checklist to systematically evaluate ESG risks across its supply chain. The checklist incorporates major ESG-related laws and regulations, the Responsible Business Alliance (RBA) Validated Assessment Program (VAP) Standard, and leading ESG disclosure frameworks, including GRI and SASB. It also reflects internationally recognized standards, including the Universal Declaration of Human Rights, the UN Convention on the Rights of the Child, and the UN Global Compact Ten Principles, enabling the Company to assess labor and human rights risks throughout its supply chain. The checklist is continuously refined through internal reviews and feedback from key customers to enhance its effectiveness and alignment with evolving ESG requirements.

### Identification of high-risk suppliers

Prior to conducting ESG due diligence, LS Cable & System identifies high-risk suppliers through a structured risk screening process. Suppliers are evaluated using quantitative criteria, including country risk, product and service characteristics, procurement value, company size, and records of ESG or regulatory violations. Qualitative factors, such as environmental and social impacts, industry-specific ESG requirements, inherent raw material risks, and the results of regular supplier evaluations covering financial stability, quality, and delivery performance, are also considered. Based on this comprehensive assessment, the Company identified 15 suppliers for ESG assessment in 2025.

### Desktop assessments and on-site audits

In 2025, LS Cable & System conducted desktop assessments and on-site audits for three suppliers. The assessments included workplace inspections, document reviews, and interviews with management and employees to verify operational practices and identify potential ESG risks. By combining document-based assessments with on-site verification, the Company strengthens ESG risk management across its supply chain.

### 2025 due diligence results

|                                                                                 | Unit     | 2025 |
|---------------------------------------------------------------------------------|----------|------|
| Suppliers subject to ESG due diligence                                          | Supplier | 15   |
| Suppliers completing ESG due diligence                                          | Supplier | 3    |
| ESG due diligence completion rate                                               | %        | 20   |
| Suppliers participating in corrective action plans                              | Supplier | 3    |
| Negative environmental impacts identified in the supply chain and actions taken | case     | 4    |
| Negative social impacts identified in the supply chain and actions taken        | case     | 11   |

# Suppliers

## Identification of supplier ESG risks

LS Cable & System identifies supplier ESG risks by comprehensively reviewing the results of desktop assessments and on-site audits. Where significant or potential risks are identified, the Company provides immediate guidance on corrective measures during the audit process. In 2025, key risks included inadequate environmental management systems, insufficient occupational health and safety management and training, and gaps in ethics and human rights management, including the prevention of forced and child labor.

## Corrective action plans and monitoring

For identified ESG risks, LS Cable & System requires suppliers to develop Corrective Action Plans (CAPs). Improvement priorities are established in consultation with suppliers, taking into account implementation schedules, approaches, objectives, and available resources. The Company continuously monitors implementation progress and provides support to facilitate the effective execution of corrective actions.

## Strengthening supply chain ESG capabilities

LS Cable & System was selected to participate in the government’s Green Management Consulting Program for Suppliers, which supports supply chain ESG management. Jointly organized by the Ministry of Environment and the Korea Environmental Industry & Technology Institute (KEITI), the program aims to strengthen the ESG capabilities of exporters and their supply chains. From April to December 2026, LS Cable & System plans to support eight suppliers through ESG consulting, environmentally friendly process improvements, and supply chain due diligence. The Company will also help suppliers strengthen capabilities in environmental information disclosure and product-level carbon management to meet evolving global requirements. Through these initiatives, LS Cable & System aims to enhance ESG performance across its supply chain while strengthening its response to regulatory and customer expectations.

## Strengthening internal regulations to prevent unfair business transactions

Our internal regulations have been tightened to prevent unfair business transactions. Firstly, our Guidelines for Contract Signing were introduced to promote fairness and discourage any potential standards violations among our employees and suppliers. Secondly, regulations on supplier registration were strengthened to ensure that our employees responsible for purchasing select suppliers in a fair and transparent manner based on a clear understanding of the selection criteria.

## Operating a subcontracting review committee

A subcontracting review committee is in place to ensure a culture of fair and transparent business transactions and to see that there is no violation of any related laws or regulations. The committee is chaired by the head of the Purchasing Division and consists of two other members, the heads of the Legal Affairs Team and the Purchasing Planning Team. The risks of unfair business transactions are reviewed in monthly committee meetings.

### Operation of the subcontracting review committee

| Committee members                         | Topic                                                    | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Head of Purchasing Division (Chairperson) | Review of subcontracting transaction issues              | Preliminary review of subcontracting transactions exceeding 1 billion KRW, including the fairness of contract execution and pricing processes, and compliance with relevant laws such as the Subcontracting Act<br><br><b>Key preliminary review items under the Subcontracting Act</b> <ul style="list-style-type: none"><li>• Whether written contracts are properly issued</li><li>• Whether there is any violation of the prohibition against unfair determination of subcontracting payments</li><li>• Compliance with obligations to issue domestic letters of credit and to provide subcontract payment guarantees</li><li>• Whether there is any violation of the prohibition on forced purchasing of goods, etc.</li><li>• Appropriateness of criteria and procedures for supplier deregistration</li><li>• Appeals related to non-selection or deregistration of suppliers</li></ul> |
| Head of Legal Affairs Team                | Hearing supplier opinions and checking follow-up actions |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Head of Purchasing Planning Team          | Review of issues related to win-win cooperation          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |



# Suppliers

## Shared growth

### Operation of the Supply Price Adjustment System

LS Cable & System operates a Supply Price Adjustment System to reflect significant changes in key raw material prices in contract prices. Under the Act on the Promotion of Mutual Cooperation between Large Enterprises and SMEs, written agreements are executed when raw material costs exceed a specified threshold. The system helps suppliers manage unexpected price volatility, supporting business stability and fostering shared growth.

#### Participation in the 2025

| Number of indexation-based contracts | Indexed raw material |
|--------------------------------------|----------------------|
| 52                                   | Copper               |

### Financial support programs

LS Cable & System operates financial support programs to improve suppliers’ cash flow. For subcontract payments, the Company pays within 45 days, 15 days earlier than the 60-day statutory payment period under the Fair Transactions in Subcontracting Act, helping suppliers maintain stable liquidity.

#### IBK Win-Win Payment Program (50 billion KRW)

LS Cable & System participates in the IBK Win-Win Payment Program to support suppliers’ financial stability. Based on the Company’s creditworthiness, the program enables suppliers to receive early payment or reissue payment claims before maturity, improving access to financing. It is also available to lower-tier suppliers and enhances payment security through escrow accounts and a non-recourse structure, supporting a stable payment cycle across the supply chain.

#### Shinhan Win-Win Growth Loan (60 billion KRW)

Through an agreement with Shinhan Bank, LS Cable & System supports suppliers’ liquidity through the Win-Win Growth Loan program. The program allows suppliers to receive early payment by financing trade receivables based on the Company’s creditworthiness. Available to both first-tier and lower-tier suppliers, it helps reduce financing costs and improve financial stability.

#### Hana Win-Win Package Loan (50 billion KRW)

LS Cable & System also operates the Hana Win-Win Package Loan to improve suppliers’ liquidity and payment stability. The program includes accounts receivable-backed loans, e-Safe Factoring, and Vendor Purchase Loans, enabling suppliers to receive early payment and facilitate payments to lower-tier suppliers. Through these initiatives, the Company strengthens suppliers’ financial stability and promotes shared growth across the supply chain.

### Operation of payment terms

Our clearly defined payment terms, based on transaction types and amounts, are made available through the e-procurement system, enabling suppliers to plan their payment collection accordingly.

#### Payment terms

| Business classification | Value threshold                                          | Payment term                                                                 |
|-------------------------|----------------------------------------------------------|------------------------------------------------------------------------------|
| Subcontracting          | 300 million KRW or less                                  | Cash (paid on 15 <sup>th</sup> of the following month)                       |
|                         | More than 300 million KRW                                | Cash paid in 45 days from the delivery date or the end of the delivery month |
| Win-win cooperation     | 5 million KRW or less                                    | Cash (paid on 24 <sup>th</sup> of the following month)                       |
|                         | More than 5 million KRW                                  | Cash paid in 60 days from the delivery date or the end of the delivery month |
|                         | 5 million KRW or less                                    | Cash (paid on 24 <sup>th</sup> of the following month)                       |
| Non-subcontracted SMEs  | More than 5 million and KRW up to 20 million KRW or less | Cash paid in 60 days from the delivery date or the end of the delivery month |
|                         | More than 20 million KRW                                 | Cash paid in 90 days from the delivery date or the end of the delivery month |
| Large enterprises       | 5 million KRW or less                                    | Cash (paid on 24 <sup>th</sup> of the following month)                       |
|                         | More than 5 million KRW                                  | Cash paid in 90 days from the delivery date or the end of the delivery month |

# Suppliers

## Joint technology development and supplier quality forums

LS Cable & System strengthens suppliers' technological capabilities while protecting their intellectual assets through a balanced approach to technology support and protection, fostering sustainable shared growth.

### Strengthening capabilities through technology support

LS Cable & System provides joint R&D and technical support to enhance suppliers' technological competitiveness. In 2025, the Company carried out four technical support projects, investing approximately 487 million KRW to support product development and process improvement.

Key projects included the localization of composite cores for overhead transmission lines, the development of non-metallic hydrogen pipeline materials, and components for EV charging systems. From early-stage development to performance verification and testing infrastructure, the Company provides integrated support to help suppliers strengthen their technological capabilities, advance products, enter new markets, and enhance supply chain competitiveness.

### Fair collaboration through technology protection

LS Cable & System also protects suppliers' technological assets to promote fair collaboration. In 2025, the Company implemented six technology protection initiatives, establishing clear frameworks for managing intellectual property generated through joint R&D. By recognizing suppliers' rights in joint patent applications and supporting filing costs, LS Cable & System helps suppliers secure their intellectual property and strengthen the commercialization of R&D outcomes.

## Supplier communication

### Participation in the LS supplier CEO forum

LS Group organized the CEO Forum, a communication meeting with the CPOs of the group's subsidiaries, including LS Cable & System, and the CEOs of their suppliers. The aim was to establish a shared-growth strategy at the group level and promote partnership. It provided an opportunity to listen to concerns, ideas, and proposals and develop consensus among the participants. We will continue our efforts at facilitating communication with suppliers as we aim to increase their satisfaction and strengthen the foundation for achieving shared growth.

### Health and safety council

Recognizing that supplier safety is integral to its own safety, LS Cable & System holds monthly Health and Safety Council meetings with on-site suppliers at its Gumi, Indong, and Donghae worksites. The Company also conducts quarterly safety assessments to identify workplace risks and implement improvement measures together with suppliers. In addition, LS Cable & System operates supplier support programs to strengthen suppliers' health and safety capabilities. Through personnel and resource support, the Company helps suppliers achieve the same level of safety for similar work, reducing health and safety gaps between contractors and subcontractors and fostering sustainable partnerships.

### Grievance reporting channels

LS Cable & System operates multiple grievance channels through which suppliers can submit concerns and suggestions. All supplier employees have access to these channels, which ensure anonymity, confidentiality, and protection against retaliation. Reported issues are reviewed, addressed, and shared with the relevant parties as appropriate. Through systematic management of the entire process, the Company fosters transparent communication and strengthens trust with its suppliers.

# Suppliers

## Grievance reporting channel

**1**  
**Cyber Report Channel**  
 Corporate website, E-Procurement System



**2**  
**Ethics Survey**



**3**  
**Subcontract Dispute Mediation Committee**  
 E-Procurement System (E-Pro)



**4**  
**Email of the Procurement Department**  
 highsub@lscns.com



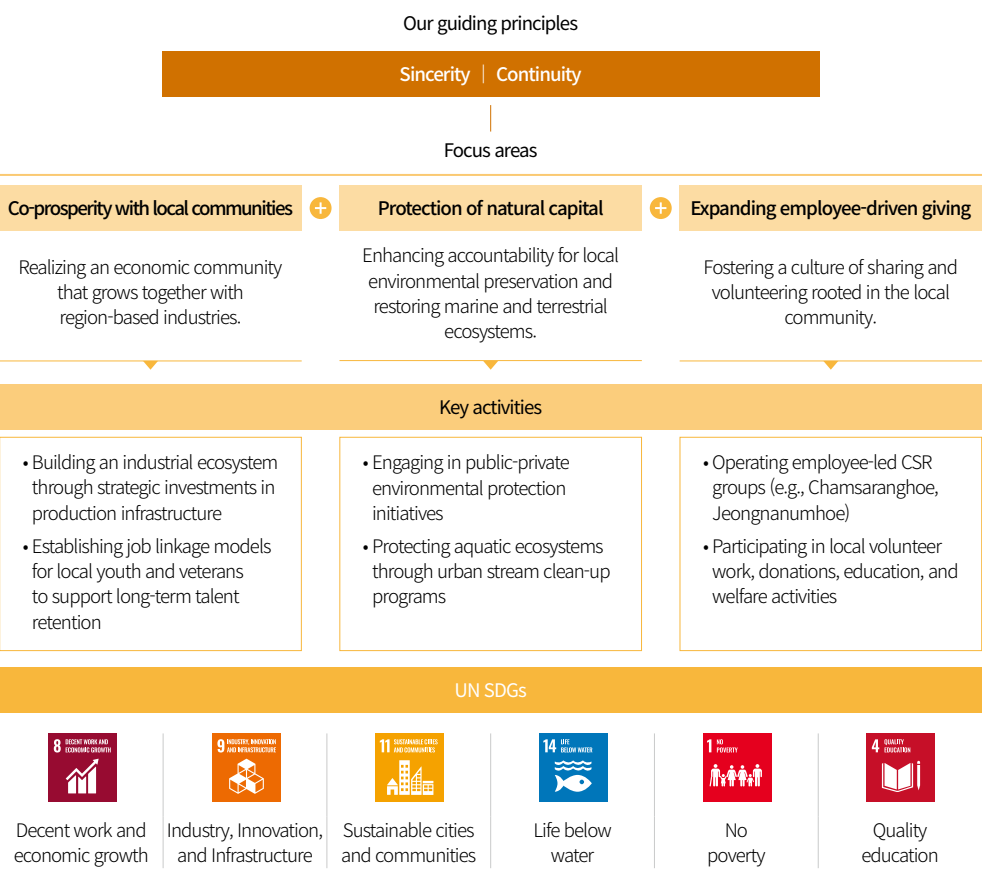
## Compliance reporting channel

The compliance reporting channel is accessible not only to LS Cable & System employees but also to external stakeholders. Suppliers can use this channel to submit inquiries or reports related to fair trade and subcontracting practices at any time. Detailed information about the channel is provided under the “Compliance – Fair Trade Reporting Channel” section.

# Social Contribution

## Direction for our social contribution activities

LS Cable & System conducts CSR activities based on the belief that corporate sustainability can be ensured along with the ongoing development of local communities and wellbeing of their members. Our efforts aimed at creating social value are mainly concentrated around the locations of our plants in Gumi, Indong, and Donghae.



## Social contribution activities

### Contributing to regional economic growth

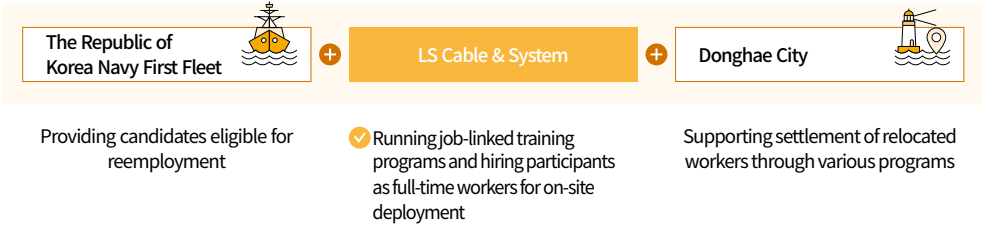
Since establishing Korea's first submarine cable manufacturing plant in 2009, LS Cable & System's Donghae facility has grown into the country's key production hub for the submarine cable industry, now operating five manufacturing plants. The Company has continued investing to expand production capacity, including 156 billion KRW for the fourth plant in 2023 and 98 billion KRW for the fifth plant in 2025. Cumulative investment has reached approximately 254 billion KRW, creating around 450 local jobs.

These investments have generated positive economic impacts beyond job creation by attracting suppliers and stimulating the regional industrial ecosystem. Through local hiring, workforce development, and collaboration with local governments, LS Cable & System continues to strengthen community partnerships, supporting sustainable regional development alongside business growth.

### Creating local jobs

Since 2020, we have been cooperating with Donghae City and the Headquarters of the Republic of Korea Navy First Fleet to create jobs and promote the inflow of population to Donghae. To this end, LS Cable & System offers employment programs at its Donghae worksite for people discharged from military service, and Donghae City operates a system to support their settlement. We will continue our efforts at boosting the local Donghae economy by expanding our submarine cable business as well as creating social value for local communities.

### Donghae win-win employment model



# Social Contribution

## Protecting natural capital

### Marine environmental cleanup campaign

As a company operating in the submarine cable business, LS Cable & System promotes community engagement initiatives that combine marine environmental protection with resource circularity. In 2025, the Company partnered with the Korea Marine Environment Management Corporation and the local community to conduct a resource circularity campaign in Songjeong-dong, Donghae, where its Donghae facility is located. The campaign focused on collecting waste plastics and upcycling them into new products, helping reduce waste and promote circular resource use.

The Company also organized environmental education and hands-on recycling programs for local residents to raise awareness and encourage sustainable practices. Through these initiatives, LS Cable & System continues to strengthen community partnerships while expanding participatory ESG activities that promote marine environmental protection and resource circularity.



Marine environmental cleanup campaign ↑

## Promoting employee volunteering

### Supporting vulnerable communities

LS Cable & System supports vulnerable communities through its employee volunteer groups—Chamsaranghoe at the Gumi and Indong sites and Jeongnanumhoe at the Donghae site. Around 710 employees participate in volunteer activities, including cultural programs, holiday donations, and home improvement projects for local welfare centers, senior care facilities, and children's welfare institutions. In 2025, the Company donated 250 boxes of kimchi and 2,000 briquettes to vulnerable households through seasonal sharing campaigns.

Since the completion of its Donghae submarine cable plant in 2009, the Donghae site has supported the local community through designated donations, scholarships, and employee volunteering. Since 2018, the Company has contributed 100 million KRW annually to local social welfare organizations, helping enhance community welfare.

Additionally, all employees of LS Cable & System voluntarily donate less than 1,000 KRW from their monthly salaries, and the company matches these contributions. The funds collected through this payroll donation program are used to support vulnerable groups. In 2025, a total of 38.2 million KRW was donated to people in need in Anyang, Gumi, and Donghae, where our worksites are located.



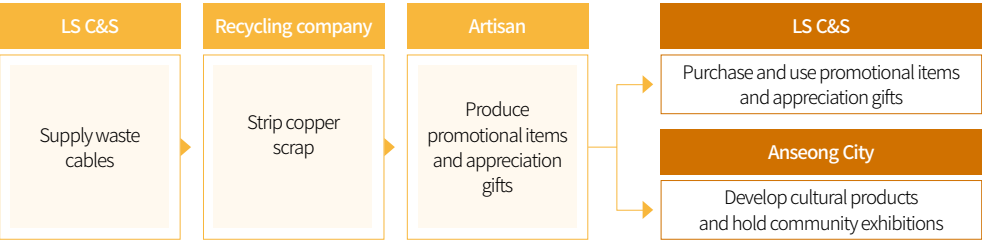
Worksite volunteer group supporting a social welfare facility ↑

# Social Contribution

## Community-based circular economy

### Reuse of waste resources

LS Cable & System is implementing a community-based circular economy project in partnership with Anseong City to recycle waste cables generated during manufacturing and expand resource circularity through community engagement. The project aims to develop upcycled products using recovered metals from waste cables while integrating circular economy initiatives into the Company's ESG activities. Copper recovered from waste cables is being used to develop corporate promotional items and appreciation gifts, replacing externally sourced products and expanding the practical use of recycled resources. In addition, LS Cable & System collaborates with local artisans by leveraging Anseong's specialized industries and plans to provide educational and hands-on learning opportunities for students through partnerships with local universities. Through these initiatives, the Company seeks to strengthen collaboration among industry, academia, and the local community while promoting resource circularity and encouraging broader community participation.



## Participation in the LS global volunteer program

### LS overseas volunteer program for college students

LS Cable & System participates in the LS Global Volunteer Program, organized by the LS Group, to improve educational opportunities and promote cultural exchange for children and youth in developing countries. In 2025, employee volunteers visited elementary schools in Haiphong, Vietnam, and Bogor, Indonesia, where they delivered science, arts, sports, and hygiene programs while helping renovate school facilities. Together with local university volunteers, they also provided computer education and cultural exchange activities to foster mutual understanding. Korean cultural experiences, including taekwondo, K-pop, and traditional performances, were also introduced. LS Cable & System will continue participating in the Group's community initiatives to create shared value through education and cultural exchange.



LS college student overseas volunteer activities

### 2025 Social contribution highlights

Employee volunteer group  
- Chamsaranghoe

263participants

Community investment

254billion KRW

2023-2025  
Based on investment in production facilities

Retired Navy personnel  
from the First Fleet in  
Donghae hired

23persons

Since partnering with the City of Donghae in 2020

Employee volunteer group  
- Jeongnanumhoe

447participants

Total donations for  
social contribution

2,666million KRW

2023-2025

Environmental cleanup  
campaign participation

1,340persons

2023-2025



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# Governance

# Compliance Management

## Compliance governance

### Dedicated compliance organization

LS Cable & System operates a dedicated compliance organization and risk management framework to ensure compliance with applicable laws, regulations, internal policies, and procedures. The Company has established a dedicated compliance function within its Legal Division and appointed a Fair Trade Compliance Officer to strengthen its Compliance Program (CP). The organization oversees company-wide compliance monitoring, fair trade risk prevention, compliance training, and the promotion of a compliance culture, while regularly reporting key issues to management. The Compliance Office also develops annual CP plans and provides training, legal guidance, and operational support to strengthen compliance awareness and foster voluntary compliance.

### Compliance governance committee

LS Cable & System oversees key compliance matters through its ESG Management Committee, which regularly reviews major issues and makes decisions when necessary. In 2025, the Committee reviewed the results of internal compliance audits and management reviews, as well as the operation of the Compliance Program. Key matters are reported to the Board of Directors, supporting management and strategic decision-making.

### Organizational structure



## Compliance management framework

### Leadership commitment

LS Cable & System has issued a CEO Message on Compliance reaffirming its commitment to ethical and compliant business practices. The message emphasizes compliance with domestic and international fair trade laws, active participation in the Company's Compliance Program, and the establishment of a strong culture of compliance. It also reinforces the Company's commitment to fair competition and trust-based relationships with employees, shareholders, customers, suppliers, and other stakeholders.

### Code of conduct acknowledgment

LS Cable & System requires all employees to annually acknowledge and sign the Code of Conduct and Compliance Pledge, reaffirming their commitment to ethical and compliant business practices. The pledge is also included in new employee orientation to strengthen employees' understanding of their compliance responsibilities from the outset.

### Regulatory monitoring

The Compliance Office continuously monitors changes in key laws and regulations and shares relevant updates with responsible departments. Where necessary, the Company strengthens compliance by revising internal policies, improving business processes, and establishing functional guidelines, reinforcing its company-wide compliance management framework.

### Compliance management system (CMS)

LS Cable & System manages key compliance risks, including fair trade, anti-corruption, human resources and labor, health, safety and environment (HSE), and information security, through its Compliance Management System (CMS). The Compliance Office establishes departmental objectives, monitors implementation, and oversees corrective actions. The Company also conducts internal audits and management reviews at least annually to assess the effectiveness of the CMS and implement continuous improvements. In 2025, LS Cable & System successfully completed the first surveillance audit for ISO 37301, reaffirming the effectiveness of its compliance management system.

# Compliance Management

## Compliance risk management

### Fair Trade Risk Self-Check (RSC)

LS Cable & System operates the Fair Trade Risk Self-Check (RSC) program to help employees identify and prevent fair trade compliance risks in their daily work. Based on key regulations, including the Monopoly Regulation and Fair Trade Act, Subcontracting Act, Improper Solicitation and Graft Act, and Unfair Competition Prevention Act, the program enables employees to assess legal risks and identify areas requiring improvement.

The RSC is conducted online at least once a year, and the results are analyzed to support company-wide risk assessments, targeted training, and improvement initiatives. In 2025, the Company conducted two RSC assessments. The first, in March, focused on risks related to market dominance, collusion, and disclosure requirements under the Monopoly Regulation and Fair Trade Act, while the second, in August, covered the Subcontracting Act, Improper Solicitation and Graft Act, and Unfair Competition Prevention Act.

#### Risk assessment items

| Identification of applicable laws                               | Risk assessment                                                     | Establishment of countermeasures                      |
|-----------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------|
| Identify laws and regulations applicable to business operations | Analyze the financial and non-financial impacts of legal violations | Establish internal control systems and checklists     |
| Monitor legal amendments and regulatory changes                 | Assess the likelihood and frequency of risk occurrence              | Develop recurrence prevention measures for violations |

### Regular Compliance Program (CP) reviews

LS Cable & System operates a regular Compliance Program (CP) review process to identify departmental compliance risks. Reflecting the characteristics of each function, reviews are conducted on a three-year rotational basis across all departments.

The review process identifies applicable laws and regulations for each department and uses pre-review questionnaires to assess compliance status and potential risks. Follow-up interviews between department representatives and the Compliance Office identify key risks and improvement areas, with corrective actions monitored to ensure implementation. In 2025, during the initial phase of the program, reviews were conducted for major technical and operational departments, including Quality, Production & Development, Construction, and Engineering. The reviews focused on compliance with fair trade regulations and the effectiveness of risk management, with improvements supported through targeted training and practical guidance.

### Compliance training for subsidiaries<sup>1)</sup>

LS Cable & System is strengthening compliance across its subsidiaries through a phased compliance framework. In 2025, the Company selected 10 key affiliates, prioritizing listed subsidiaries while considering their business environment, operational relevance, and compliance risk. The selected affiliates participated in two compliance training sessions focused on legal and reputational risks arising from regulatory violations by independently operated subsidiaries. Training covered the key provisions and major violation cases under the Monopoly Regulation and Fair Trade Act, Subcontracting Act, Act on the Promotion of Mutual Cooperation between Large Enterprises and SMEs, and the Unfair Competition Prevention Act. The Company plans to gradually expand the program to non-listed subsidiaries and overseas entities, further strengthening its group-wide compliance management framework.

1) LS Materials, LS Marine Solution, LS AlSCO, Sejong Cable, LS Buildwin, LS Eco Energy, LS EV Korea, G&P, G&P Wood, JS Cable

# Compliance Management

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Appendix

## Promoting a culture of fair trade

### Employee engagement programs

LS Cable & System introduced employee engagement programs to strengthen compliance awareness and encourage voluntary participation across the organization. In 2025, the Company held four Compliance Quiz programs covering key regulations, including the Subcontracting Act and the Monopoly Regulation and Fair Trade Act. Based on real business cases, the quizzes helped employees apply legal requirements in their daily work. Recognition and incentives encouraged participation, while increased inquiries on legal interpretation and application following the program reflected stronger compliance awareness.

### Strengthening internal communication

LS Cable & System operates a Compliance Bulletin on its intranet to improve employees' understanding of legal requirements and support their application in daily work. Published twice a month, the bulletin provides updates on major legislative changes, court rulings, and fair trade trends, helping employees stay informed of the evolving regulatory environment and apply relevant requirements in practice.

## Compliance training programs

### Training objectives

LS Cable & System operates compliance training programs to foster a culture of voluntary compliance across the organization. Through role-based and regular training, the Company helps employees incorporate compliance, reinforcing compliance as a foundation for sustainable growth and stakeholder trust. In 2025, LS Cable & System provided a range of compliance training programs for employees, teams, company-wide audiences, and domestic and overseas affiliates. Training was delivered through multiple formats, including classroom sessions, live briefings, and the LS-Tube platform, to strengthen compliance awareness and practical capabilities.

### Compliance training for procurement personnel

LS Cable & System provides specialized compliance training for procurement personnel to enhance their understanding of environmental and social risks across the supply chain and promote fair business practices with suppliers. In 2025, the Company delivered case-based training on the Subcontracting Act, Act on the Promotion of Mutual Cooperation between Large Enterprises and SMEs, and the Monopoly Regulation and Fair Trade Act, strengthening employees' ability to identify and manage compliance risks in supplier transactions. Training effectiveness is evaluated through post-training surveys and assessments, with feedback incorporated into future programs.

### Compliance training for employees

|                       | Contents                                                                                             | Target audience                                 |
|-----------------------|------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| Basic Training        | Builds a consistent culture of compliance by sharing fundamental principles                          | Executives, New Employees, Expatriate Employees |
| Specialized Training  | Enhances understanding through role-based training and practical, collaboration-focused case studies | R&D, Sales, Procurement                         |
| Company-wide Training | Promotes compliance awareness across the organization through integrated training for all employees  | All Employees                                   |
| Subsidiary Training   | Supports the establishment of a compliance management framework aligned with the Company's standards | Domestic & overseas subsidiaries                |



Risk Self Check ↑

Compliance briefings ↑

Compliance Quiz ↑

# Compliance Management

## Company-wide live compliance briefings

LS Cable & System introduced company-wide live compliance briefings to strengthen compliance awareness and foster a culture of compliance. Delivered through live online broadcasts, the briefings enable all employees to participate regardless of location. In 2025, the Company held sessions on the Code of Conduct for Protecting Trade Secrets and the Code of Conduct for Working with Suppliers, ensuring the timely communication of new standards and requirements. Practical case studies enhanced employees' understanding and supported the application of compliance principles in daily operations. Through these initiatives, LS Cable & System continues to strengthen its compliance culture through timely information sharing and real-time communication.

## Training effectiveness evaluation and feedback

LS Cable & System manages the entire compliance training process, from program delivery to effectiveness evaluation and continuous improvement. Following each training session, participation and learning outcomes are assessed, with course completion requiring at least 70% attendance and an average test score of 70 or higher.

The Company also collects employee feedback through post-training surveys to evaluate training relevance, satisfaction, and improvement opportunities, incorporating the results into future programs. In 2025, training content and delivery methods were enhanced based on employee feedback. Case- and video-based learning materials were expanded to account for more than 15% of all training content, improving engagement and understanding. In addition, the Company's LS-Tube platform enables employees to review training materials after course completion, strengthening learning continuity and accessibility.

## Operating a fair trade reporting center

LS Cable & System operates a reporting channel that enables employees and third parties to seek advice or report actual or potential violations of fair trade-related laws, including the Monopoly Regulation and Fair Trade Act, Subcontracting Act, Fair Agency Transactions Act, and Act on the Promotion of Mutual Cooperation between Large Enterprises and SMEs. The reporting channel is accessible through the Company's website, and reports may be submitted anonymously or under a pseudonym. The Company protects the identity of reporters and the confidentiality of reported matters and prohibits any form of retaliation against reporters. Reported cases are generally reviewed and resolved within two weeks.

### Compliance reporting channel



**Website** | [https://www.lscns.co.kr/en/intro/sustainability\\_law.asp](https://www.lscns.co.kr/en/intro/sustainability_law.asp) 



**Email** | [compliance@lscns.com](mailto:compliance@lscns.com) 

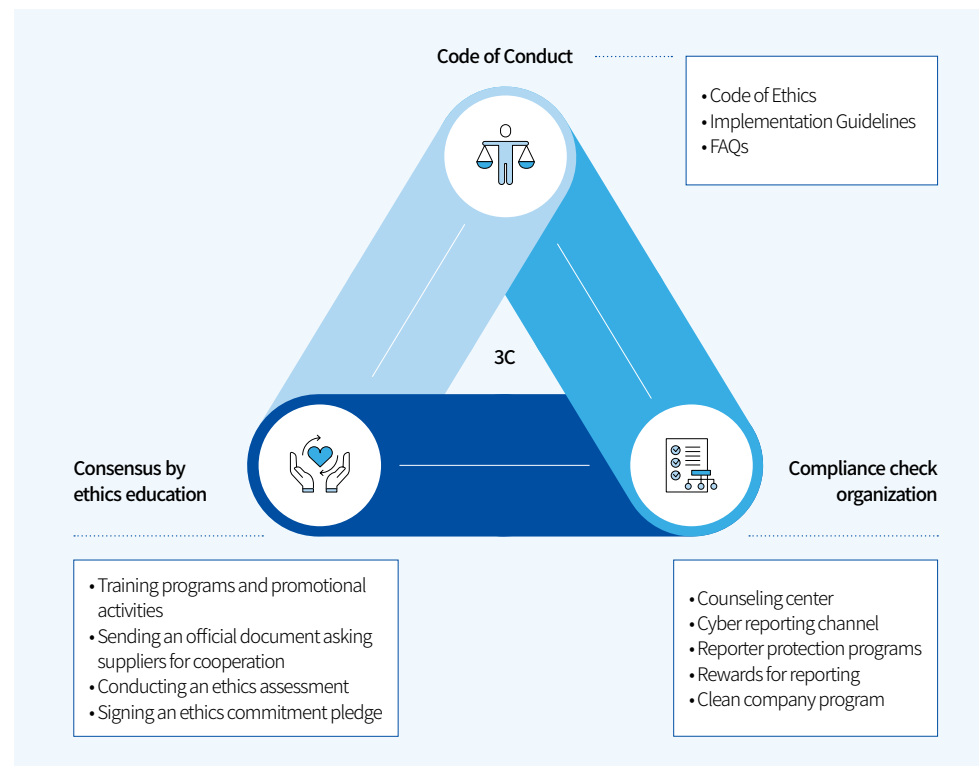
# Ethical Management

## Ethics management

LS Cable & System embraces LS Partnership as its corporate management philosophy, creating sustainable value through integrity, ownership, mutual respect, consideration, and trust, while fostering open collaboration with external stakeholders.

Ethics management is a core philosophy that emphasizes integrity, legal compliance, and responsible business conduct. Beyond fulfilling its economic and legal responsibilities, the Company recognizes ethical responsibility as an essential corporate obligation and promotes compliance with its Code of Ethics as a fundamental principle of business operations.

### Ethical management system



## Code of ethics

LS Cable & System has established a Code of Ethics that provides employees with standards for ethical conduct and decision-making. The Code outlines six principles covering responsibilities to customers, employee ethics, fair competition, fair dealings with suppliers, responsibilities to employees, and responsibilities to society. To support implementation, the Company has adopted Code of Ethics Implementation Guidelines as the standard for ethical conduct. All employees are required to comply with these guidelines in performing their duties.

Violations of the Code of Ethics are subject to disciplinary action under the Code and the Company's internal regulations. Depending on the severity of the violation, disciplinary measures may include dismissal, recommended resignation, suspension, salary reduction, or reprimand.

### Code of conduct



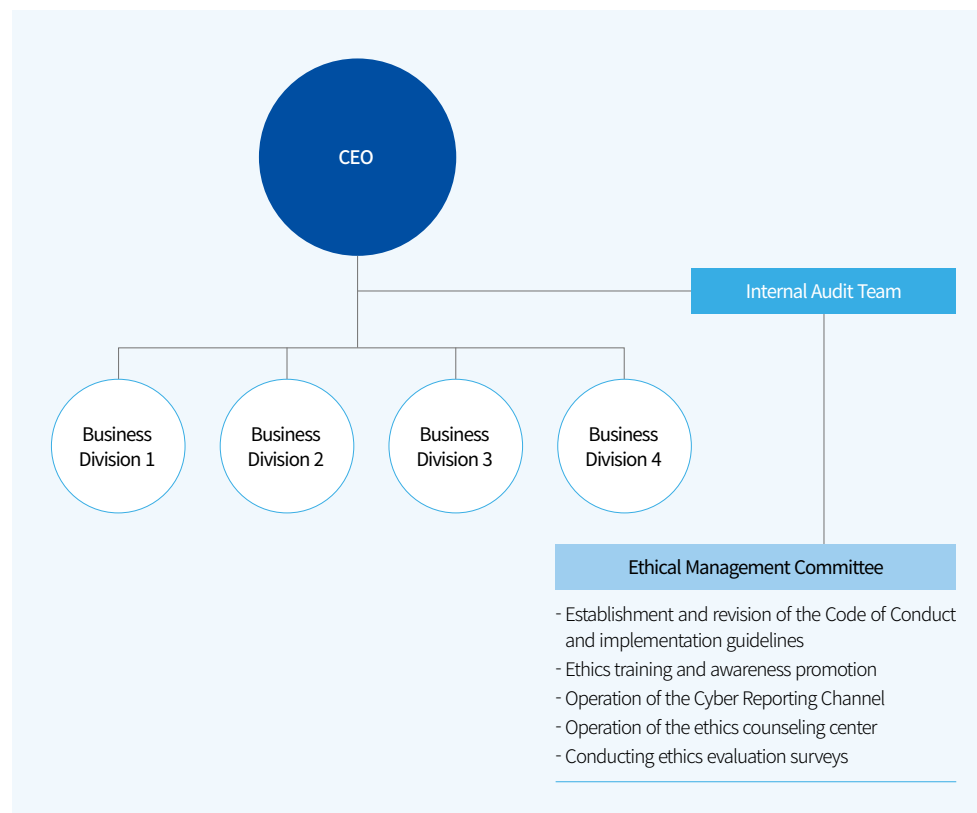


# Ethical Management

## Ethical management structure

LS Cable & System operates the Ethical Management Committee, a dedicated ethics body within the Internal Audit Team under the direct supervision of the CEO. The committee is responsible for refining the Code of Conduct as a foundation for behavior and value-based decision-making, building consensus among the stakeholders through training and awareness activities, and managing the Cyber Reporting Channel and the online/offline ethics counseling center to address ethical dilemmas employees may encounter.

### Responsible organizations and their roles



## Consensus building

### Ethics management training

To prevent potential violations of the Code of Conduct, ethics training is provided to new hires and employees scheduled for overseas assignment. The training covers the concept of ethical management and actual violation cases. For new hires, we introduce our Code of Conduct, implementation guidelines, and internal ethics management programs.

### Awareness promotion

To enhance employee awareness, we have been posting articles on ethical management—including the Code of Conduct, implementation guidelines, violation case examples, and ethics management programs—as well as monthly columns to promote a better understanding of ethics management, on the company intranet.

### 2025 ethics management posts

- |                                                                                  |                                                                  |
|----------------------------------------------------------------------------------|------------------------------------------------------------------|
| - No giving or accepting holiday gifts                                           | - Encouraging ethical behavior                                   |
| - Ethics violation case: Personal loans                                          | - LS C&S's Cyber Report Channel                                  |
| - Ethics violation case: Entertainment and hospitality from business partners    | - Case study: Ethical corporate culture at Company 'A'           |
| - Conflict of interest case study                                                | - LS C&S's Whistleblowing system                                 |
| - Ethics violation case: Outside employment and confidential information leakage | - Whistleblower protection program                               |
|                                                                                  | - Integrity awareness and protection of confidential information |

### Sending an official document asking suppliers for cooperation

Before the Chuseok and Lunar New Year's holidays, LS Cable & System sends an official document asking suppliers for cooperation in eradicating practices of giving and receiving gifts, entertainment, and money and informing them of its Code of Conduct and reporting channels. After the document is sent, it is also posted on the e-procurement system, E-Pro, so that all of suppliers can check the information.

# Ethical Management

## Conducting an ethics evaluation

An ethics evaluation has been conducted for all employees on an annual basis to identify improvement areas for our ethical management activities. LS Cable & System operates an online survey for all employees. The survey consists of 33 questions in three categories: the basis of ethical management, implementation of corporate ethics, and ethics being practiced in our workplaces. The results are used for strengthening ethical management training and for promotional activities and programs supporting its implementation.

### Ethics evaluation overview

| Target     | All employees (100% of LS C&S)                                                                                                                                                                 | Evaluation score (unit: points) |      |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|------|
| Evaluation | <ul style="list-style-type: none"> <li>Areas: Foundations of ethical management; implementation of corporate ethics; and implementation of work ethics</li> <li>Total questions: 33</li> </ul> | 2023                            | 76.8 |
|            |                                                                                                                                                                                                | 2024                            | 78.2 |
|            |                                                                                                                                                                                                | 2025                            | 78.9 |
| Method     | Online survey                                                                                                                                                                                  |                                 |      |

## Signing an ethics commitment pledge

Domestic suppliers entering into new contracts with LS Cable & System are required to sign an Ethics Commitment Pledge to affirm their adherence to ethical management. The signed pledge is attached to the contract to clearly define the parties' commitment to ethical practices. New employees are also required to sign the pledge to confirm their intent to carry out their duties in a transparent and responsible manner.

## Compliance oversight structure and inspection systems

### Ethics counseling center

Ethics counseling center LS Cable & System operates an online and offline ethics counseling center for those facing ethical issues or seeking to learn more about corporate ethics. The Company strives to respond as promptly as possible to inquiries regarding general knowledge on ethics management, questions about the interpretation or application of our Code of Conduct, and ethical conflicts or dilemmas related to job responsibilities. Both anonymous and identified inquiries are accepted, and strict confidentiality is maintained. The identity of the inquirer and the details of the consultation are not disclosed without their consent.

## Cyber ethics hotline

The cyber ethics hotline is an online reporting channel that enables employees and stakeholders to submit suggestions, concerns, and reports related to LS Cable & System's business activities. The Company accepts reports of misconduct, including corruption, unfair business practices, improper business conduct, information security violations, and other breaches of the Company's ethical standards. All reports are handled confidentially under strict security procedures. The Company protects the identity of named reporters and thoroughly investigates all reports, including anonymous submissions. Confirmed findings are reflected in management practices, and responses are provided in a timely manner.

### Cyber ethics hotline

Reporter protection program

- A reporter's identity is not disclosed or implied without their consent.
- Protective measures are in place to prevent any disadvantage or discrimination resulting from reporting, testimony, or submission of materials.

Reporting reward program

- When reporting others' misconduct involving the exchange of money or valuables, a reward of up to five times the amount involved (maximum 5 million KRW) may be given.
- When voluntarily reporting one's own misconduct, liability may be exempted for the case reported, with the amount involved donated.

Main reporting channel


Cyber Reporting Channel


Phone  
+82-2-2189-9108


Mail  
Ethical Management Committee

## Clean company program

The Clean Company Program is a system in which employees voluntarily report any exchange of gifts or hospitality that may have occurred unavoidably. The reporting procedure involves completing a gift/hospitality declaration form, taking appropriate action as instructed by the department head, and then submitting the form to the Ethical Management Committee. Any money or gifts received are returned to the givers with an explanation regarding our ethical management policies. If there is a situation in which the received items are difficult to return, they are donated to social welfare facilities or to religious groups under the company name of the giver.

# Information Security

## Information security management system

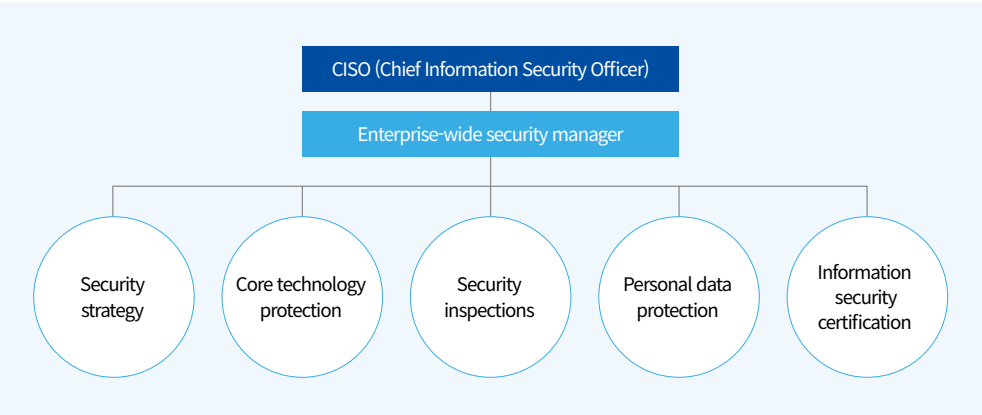
### Information security policy

To protect the company's core information—including technology, management, and personal data—from various security threats, we have established and implemented corporate security management regulations, personal information protection policies, and 14 detailed rules. These policy documents are accessible to all employees. The department overseeing enterprise-wide information protection monitors the latest security trends and regularly reviews the need for new or revised policies. Any newly established or revised policies are reviewed by the company-wide Security Operations Committee and approved by the Chief Information Security Officer (CISO). The information protection regulations apply to all employees, contractors, visitors, and other related individuals, and cover all tangible and intangible information assets owned and operated by the company.

### Information security governance

The Chief Information Security Officer (CISO) is responsible for overseeing the company's information security management system. Under the CISO's leadership, company-wide and site-specific managers conduct ad-hoc inspections and response activities to ensure stable information security operations. We continuously improve related processes to respond promptly to potential incidents, prevent their escalation, and minimize damage.

### Information security management organization



### Information security certification

We have obtained ISO 27001 certification for our Information Security Management System (ISMS) covering the head office and server management facilities. This certification validates the adequacy of our information security framework and practices. We also undergo regular audits for renewal. For other worksites not covered by the certification, we apply internal security measures equivalent to the ISO standard.

#### Certification information

| Scope of certification             | Certification period                  |
|------------------------------------|---------------------------------------|
| LS Cable & System head office, IDC | November 28, 2025 – November 27, 2028 |

## Information protection efforts

### Incident response system for information security

To prevent and respond promptly to information security incidents, we operate a structured incident response procedure. Detailed rules under our information protection policy define what constitutes a security incident and outline the response process, the formation and responsibilities of the incident response team, and the handling of non-compliance. In addition, we establish business continuity plans to ensure information security and regularly review and update them as needed.

#### Security incident response procedure

|        |                                                                                                                                                                              |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Step 1 | Pre-incident preparation   Establishment of incident response organization, awareness enhancement through security training                                                  |
| Step 2 | Detection and reporting   Monitoring of information assets, detection of anomalies                                                                                           |
| Step 3 | Initial response   Preliminary analysis, incident reporting, identification and definition of incident scope                                                                 |
| Step 4 | Formulation of structured response strategies   Data collection and analysis, emergency measures by type of intrusion, establishment and implementation of response measures |
| Step 5 | Incident response reporting   Reporting of incident response results                                                                                                         |
| Step 6 | Recovery   Restoration to pre-incident state, establishment of recurrence prevention measures                                                                                |

# Information Security

## National core technology protection

As a company that possesses national core technologies related to submarine cables, we have established a management system tailored to the characteristics of our technologies, assets, and human resources. We comply with relevant laws and regulations, including the Act on the Prevention of Divulgence and Protection of Industrial Technology. Designated personnel are assigned to manage these technologies. They conduct training programs on core technology protection, assess the adequacy of the management system, and collaborate with relevant departments to strengthen our technology protection efforts based on their expertise.

## Regular system security inspections

We conduct regular and ad-hoc security inspections led by the Chief Information Security Officer (CISO) in accordance with our information protection policy. These inspections cover operational systems and infrastructure to ensure their safety. Key activities include mock hacking to identify and eliminate security vulnerabilities, lifecycle management of personal information, firewall rule reviews, unauthorized access monitoring, and document encryption.

## Access control system

All of our worksites in Gumi, Indong, and Donghae use an access control system to systematically and thoroughly manage the entry and exit of personnel and vehicles. Each site is divided into controlled areas, restricted areas, and restricted zones, and all individuals, including employees, are allowed access only to authorized areas. Visitors must obtain prior approval from an employee through the visit reservation system before entering the premises.

## Enhancing security awareness among employees

We conduct regular security inspections for all employees. All inspections are carried out with independence and fairness. If any violations are identified, follow-up measures such as disciplinary actions or work improvement activities are taken, depending on the severity of the case.

To enhance employee security awareness and prevent related incidents, we implement various initiatives such as signing security agreements, conducting regular training, and running awareness campaigns. In response to the growing number of virus-related incidents caused by malicious emails—such as ransomware attacks, data breaches, and payment fraud—we conduct semiannual phishing simulations. Employees who are identified as having fallen for the simulation receive additional training to strengthen their ability to prevent and respond to email security threats.

## Information security management components

|                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1 Facility security</b>   Access control, management of information asset inflow and outflow                                 | <b>5 Information security audits</b><br>- Compliance with information security requirements for facilities, documents, personnel, and systems<br>- Verification of security training outcomes<br>- Assessment of the adequacy of information security controls and related processes<br>- Compliance with relevant information security laws and regulations<br>- Oversight of outsourced personnel and suppliers |
| <b>2 Personnel security</b>   Management of employees, contractors, and retirees; security training                             |                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>3 Document security</b>   Creation, labeling, viewing, registration, management, and recordkeeping of confidential documents |                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>4 System security</b>   Security of information systems and networks; transmission and receipt of system data                |                                                                                                                                                                                                                                                                                                                                                                                                                   |

## Strengthening information security across affiliates

LS Group expanded its information security assessment program beyond existing Group companies to include LS Cable & System affiliates, following review and approval by the Group’s Chief Digital Officer (CDO) Committee. Based on a risk-prioritized approach, assessments were conducted primarily for listed domestic affiliates, covering key areas including cybersecurity governance and technical controls, personal information protection, physical security, and penetration testing.

The scope of security management was also extended to overseas project sites by implementing cloud-based network security services in key locations, including Singapore, Taiwan, and the United States. These measures strengthen cybersecurity by blocking access to malicious websites when connecting to internal networks from overseas. LS Cable & System plans to further expand the program to its overseas subsidiaries.

# Information Security

## Personal information protection

### Personal information protection policy

As part of our company-wide compliance management efforts, we conduct annual compliance checks and provide training for employees who handle personal information. Through our legal affairs system, we review whether personal information is involved during the contract review process with domestic and overseas subsidiaries and entrusted companies. When entering into contracts, we include personal information protection clauses and require signed privacy protection agreements. To safeguard the personal information of LS Cable & System’s stakeholders, we have established a privacy policy based on relevant laws and ensure strict adherence by all employees and related personnel. In addition, regular training is provided to raise employee awareness of personal information protection.

### Grievance handling related to personal information protection

In 2025, no requests or complaints related to personal information protection were received from regulatory authorities or data subjects. Additionally, there were no cases of using customer data for secondary purposes. In 2026, we plan to enhance our systems and management framework in line with the revised Personal Information Protection Act. We remain committed to further strengthening our personal information protection practices to ensure the safe and secure handling of personal data for all stakeholders, including employees and customers.

### Personal information protection activities



# Board Operations

## Board of directors

### Shareholder overview

LS Cable & System engages with all shareholders to maximize shareholder value. All shareholders exercise their rights in accordance with applicable laws and regulations. The Company's largest shareholder is LS.

### Enhancing shareholder value

LS Cable & System pays dividends in accordance with resolutions of the Board of Directors and the General Meeting of Shareholders. Dividend decisions consider distributable profits, business investment needs, shareholder value, and the overall business environment. The Company has paid dividends for 12 consecutive years through 2025, maintaining an average par value-based dividend rate of approximately 25% over the past three years. In 2025, it approved cash dividends of 28,079 million KRW (separate financial statements), with a consolidated cash dividend payout ratio of 38.21%.

| Shareholding status   |               |               | Enhancement of shareholder value       |        |        |        |
|-----------------------|---------------|---------------|----------------------------------------|--------|--------|--------|
| Shareholder           | No. of Shares | Ownership (%) |                                        | 2023   | 2024   | 2025   |
| LS                    | 22,301,263    | 92.63         | Total cash dividends (million KRW)     | 21,646 | 25,976 | 28,079 |
| Minority shareholders | 1,018,345     | 4.23          | Consolidated dividend payout ratio (%) | 24.61  | 140.65 | 38.21  |
| Related parties       | 79,471        | 0.33          |                                        |        |        |        |

※ Treasury stock ownership: 2.81% (677,204shares)

### Composition of the board of directors

The Board of Directors features five inside directors. Directors make decisions in accordance with commercial laws and articles of association and promote the rights and interests of stakeholders, including shareholders. Director Cha-Yub Koo was appointed as a chair considering his expertise and responsibility. To ensure the independence and transparency of the Board of Directors, the roles of the chairperson and the CEO are separated.

\* As of December 31, 2025

| Name            | Position        | Full-time (Y/N) | Responsibility                                                | Relations with the largest shareholder |
|-----------------|-----------------|-----------------|---------------------------------------------------------------|----------------------------------------|
| Cha-Yub Koo     | Inside director | Y               | Chairman/BOD chairperson                                      | Executives of the affiliate of LS      |
| Bon-Kyu Koo     | CEO             | Y               | CEO                                                           |                                        |
| Sang-Ho Lee     | Inside director | Y               | Head of the Energy & Cable Installation Business Group /CHSEO |                                        |
| Woo-Tae Kim     | Inside director | Y               | Head of the Finance & Purchase Group/CFO                      |                                        |
| Byung-Yoon Kang | Inside director | Y               | Head of the Management Support Group/CSO                      |                                        |

### Board operation

LS Cable & System holds regular Board meetings once each quarter in accordance with Article 4 of the Board of Directors Operating Regulations. Extraordinary meetings may also be convened as needed. Board meetings are convened by the Chairperson, while other Directors may request a meeting through the Chairperson. In 2025, the Board held 17 meetings. To ensure sufficient time for Directors to review agenda items and enhance the effectiveness of Board deliberations, notices are provided at least seven days in advance in accordance with the Articles of Incorporation. Board resolutions require the approval of a majority of Directors present. Meeting minutes record attendees, voting results, and key discussions, ensuring transparency in the Board's decision-making process.

### Board operations

|                       | Unit    | 2023 | 2024 | 2025 |
|-----------------------|---------|------|------|------|
| No. of agenda items   | Item    | 65   | 79   | 44   |
| No. of board meetings | Session | 20   | 21   | 17   |
| Attendance rate       | %       | 97   | 99   | 89   |

\* Average attendance rate of all directors in office during the reporting period

### Board education

LS Cable & System provides Board education and information-sharing programs to strengthen Directors' expertise and strategic decision-making capabilities. In addition to regular seminars organized by the LS Group, the programs cover changes in the domestic and global business environment and key industry trends. Training topics include major Group initiatives, management priorities, steel and cost innovation strategies, global B2B business cases, and domestic and global economic outlooks. These programs enhance the Board's understanding of emerging business and industry issues, enabling effective oversight of long-term business strategies and risks. LS Cable & System will continue to provide education and information-sharing opportunities to strengthen the Board's governance and strategic decision-making capabilities.



# Board Operations

## Board evaluation and remuneration

### Performance evaluation

The performance of Executive Directors is evaluated annually based on both financial and non-financial criteria. Evaluation factors include financial performance, such as revenue, operating profit, and net income, as well as progress on long-term strategic initiatives, leadership, and talent development.

### Remuneration policy

The remuneration cap for Directors is determined by considering business performance, inflation, and external market competitiveness, and is subject to approval by the General Meeting of Shareholders. Executive Directors receive a combination of fixed annual salary and performance-based incentives approved by the Board of Directors. Performance incentives are determined based on financial results, progress on long-term strategic initiatives, and talent development.

### Executive remuneration

Remuneration for the CEO and other executives is determined based on business performance and individual responsibilities, within the limits approved by shareholders. In accordance with applicable regulations, individual remuneration of 500 million KRW or more is disclosed in the annual business report.

## Board remuneration

LS Cable & System determines Executive Director compensation based on responsibilities, position, expertise, and individual contributions. Performance-based incentives reflect both financial performance, including revenue and operating profit, and non-financial KPIs, such as environmental performance, occupational health and safety, risk management, and fair trade. Remuneration for Directors and Statutory Auditors is managed within shareholder-approved limits and disclosed through the annual business report. The total remuneration cap approved at the 2025 General Meeting of Shareholders was 14.1 billion KRW.

### Director and auditor remuneration

(Unit: persons / million KRW)

|                       | Number<br>of recipients | Total<br>Remuneration | Average remuneration<br>per person |
|-----------------------|-------------------------|-----------------------|------------------------------------|
| Registered Directors  | 5                       | 8,588                 | 1,718                              |
| Auditor <sup>1)</sup> | 1                       | 60                    | 60                                 |

1) Includes the remuneration of auditors who resigned during the period from the beginning of the fiscal year to the date of report preparation

### Annual total compensation ratio

|                                                                                                                                | Unit        | 2023  | 2024  | 2025  |
|--------------------------------------------------------------------------------------------------------------------------------|-------------|-------|-------|-------|
| Annual total compensation of the highest-paid individual <sup>2)</sup>                                                         | million KRW | 1,151 | 1,508 | 1,834 |
| Median annual total compensation of all employees <sup>3)</sup>                                                                | million KRW | 72    | 76    | 82    |
| Ratio of the annual total compensation of the highest-paid individual to the median annual total compensation of all employees | Times       | 16.0  | 19.7  | 22.4  |

2) CEO compensation disclosed in the business report

3) Excluding the highest-paid executive (Chairman and CEO)

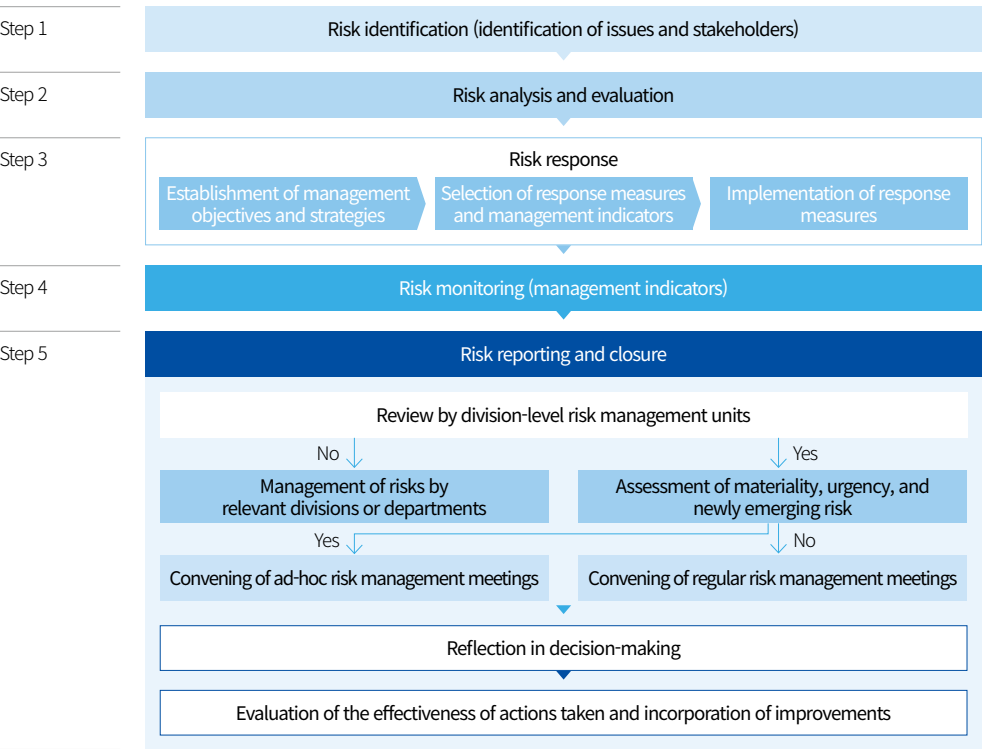
# Risk Management

## Risk management system

### Risk management process

We operate an integrated risk management system to proactively identify and effectively manage various risks arising from the rapidly changing global business environment and complex supply chain structures. Using a four-step process—risk identification, analysis and evaluation, response, and monitoring—we systematically manage potential risks embedded across our business operations. Our risk management approach is prevention-focused, taking into account the characteristics and potential impact of each risk. In addition, we have reinforced a company-wide collaboration system to enable timely decision-making and effective responses when needed.

### Risk management process



### Advancing the risk management system

We operate an enterprise-wide risk management policy for more sophisticated risk response. This policy clearly outlines the entire risk management process, including risk definition and classification, roles and responsibilities, and response procedures. It also includes response scenarios and a reporting structure to ensure preparedness for potential risks.

### Risk portfolio management

We have created risk portfolios for four areas: financial, operational, disaster and strategy/policy risks. Risks categorized by area are managed in a proactive and continuous manner.

### Financial risks

We strictly prohibit currency and derivatives trading for speculative purposes beyond essential risk management. Since price fluctuations in raw materials heavily affect our profit structure, such risks are mitigated through futures trading. In addition, to minimize risks stemming from fluctuations in foreign exchange rates, we implement a 100-percent foreign currency hedge policy when bidding on international projects. Our debt-to-capital ratio is reviewed on a monthly basis and improvement measures are taken as necessary to maintain capital-structure soundness.

### Operational risks

**IT system stability and data security** | To ensure IT system stability and data security, we operate a multi-layered management system. Daily backups of the entire system are performed, with backup data and systems stored in a secure vault to prepare for potential disasters or accidents. To prevent the leakage of corporate and personal information, we have implemented multiple safeguards, including document encryption, external storage media authentication, PC export approval procedures, encryption systems, and firewalls. We also apply internal policies and technical protection measures to comply with both domestic and international regulations, such as the Personal Information Protection Act and the General Data Protection Regulation (GDPR). Notably, we became the first company in the domestic cable industry to obtain ISO 27001 certification for information security management, as part of our efforts to strengthen global information protection.

# Risk Management

**Stable operation of equipment** | We conduct regular inspections of key production equipment to ensure stable operations and have response manuals in place to address unexpected disruptions. These manuals help employees quickly identify and resolve the causes of such issues, minimizing operational risks such as production interruptions and delivery delays.

**Safety incident risk**

To prevent accidents at plants and construction sites, regular safety inspections are conducted. At the same time, we have established a management system and maintain a dedicated organization to prevent and respond to emergencies—such as serious industrial accidents, hazardous chemical leaks, and fires—that could negatively impact the value we deliver to employees and customers. In addition, we are continuously strengthening our company-wide response capabilities through incident-specific response manuals and awareness training programs.

**Other risks**

**Strategic risks** | Amid growing business uncertainty, changes in the competitive landscape, shifts in strategic partnerships, and reputational damage may prevent a company’s strategy from delivering the intended results. We define such risks as strategic risks and proactively manage them through systematic analysis and response strategies.

**ESG-related regulatory risks** | With the strengthening of ESG-related global regulations, business risks are increasing—particularly in relation to supply chain due diligence, information disclosure, and the fulfillment of environmental responsibilities. In particular, the EU’s CSRD (Corporate Sustainability Reporting Directive) and CSDDD (Corporate Sustainability Due Diligence Directive) are turning sustainability efforts into legal obligations, emphasizing transparent non-financial disclosure and accountability in supply chain management. In response, we are closely monitoring ESG-related laws and global regulatory trends. At the same time, we have established a proactive management system to address key risk areas, including hazardous substance regulations, human rights due diligence, and ethical supply chain management.

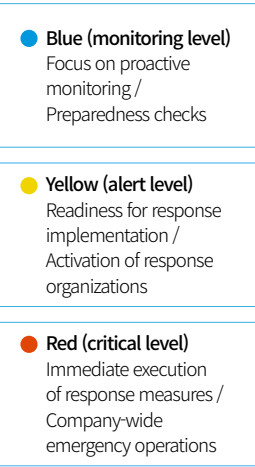
**Emergency response system**

To proactively respond to various uncertainties, we have established an emergency response manual as part of our company-wide crisis management system. The manual includes protocols for responding to national or regional emergencies such as natural disasters, infectious disease outbreaks, social unrest, and wartime martial law. It clearly defines the response procedures and roles at each stage to enhance the speed, effectiveness, and resilience of decision-making and execution. Emergencies are classified into three levels—Blue, Yellow, and Red—according to their severity. Under the leadership of the Chief Risk Officer (CRO), an emergency response committee chaired by the CEO is convened to take systematic measures for each level. Specialized teams across functions—including HR, general affairs, safety, finance, production, and information security—carry out response actions tailored to the risk type, with top priority given to protecting employees, maintaining customer trust, and ensuring supply chain stability. In the event of an emergency, a CRO-led reporting system is activated to manage the entire response process—from identifying the emergency and making decisions to implementing measures and closing the case—ensuring business continuity.

Definition of emergency situations



Emergency classification levels



Emergency response system diagram



※ Including disasters occurring at overseas sites

# Risk Management

## Transparency in taxation

We have clearly defined roles and responsibilities related to tax filing and payment, and strictly comply with applicable tax laws through the operation of a specialized team. Tax-related risks are managed across our business operations. For critical tax matters, we consult external experts, seek clarification from tax authorities, or refer to authoritative interpretations before making decisions.

### Establishing a tax policy

We do not engage in transactions or enter into contracts that exploit differences in national tax laws or loopholes in international tax systems. We ensure accurate tax filings and faithfully fulfill our tax payment obligations in accordance with applicable tax laws and tax treaties, thereby fostering mutual cooperation and maintaining trust with tax authorities. We transparently disclose our financial position and the rationale behind our transactions to investors and stakeholders, and we are committed to enhancing transparency and reliability in our accounting practices.

### Tax policy

- 1

We strictly comply with the tax laws and regulations of Korea and all countries where we operate, and faithfully fulfill our tax obligations.
- 2

For all transactions, we file and pay taxes within the statutory deadlines in accordance with local laws and regulations.
- 3

We conduct prior tax reviews on significant business activities and proactively manage tax-related issues by continuously monitoring changes in tax legislation.
- 4

The company’s tax information is transparently disclosed through the audit report filed with the Financial Supervisory Service’s electronic disclosure system.
- 5

In transactions with related parties, we adhere to the arm’s length principle in accordance with the OECD Transfer Pricing Guidelines and relevant local laws.

## Fulfilling overseas tax obligations

In conducting international transactions with overseas subsidiaries, we comply with domestic tax laws and transfer pricing guidelines by establishing and implementing a fair and transparent transfer pricing policy. Accordingly, we prohibit the use of tax structures that lack commercial substance and the transfer of value created in low-tax jurisdictions. We also strictly prohibit offshore tax evasion and the use of international transactions to avoid taxes, including the use of tax havens. Furthermore, we faithfully fulfill corporate tax obligations of our global subsidiaries in accordance with local tax laws and comply with requirements to submit relevant documentation requested by tax authorities.

## Disclosure of corporate tax details

To enhance transparency in tax payment, we regularly disclose our annual reports through DART, the electronic disclosure system of the Financial Supervisory Service. These reports fully disclose relevant information such as revenue, net income, and corporate tax expenses. In addition, to ensure the proper application of tax laws and protect our stakeholders, key tax items are subject to final review by both internal and external tax professionals prior to filing.

### Breakdown of taxes paid by region

|          | Unit | 2023  | 2024  | 2025  |
|----------|------|-------|-------|-------|
| Domestic | %    | 96    | 83    | -     |
| Overseas | %    | 4     | 17    | 100   |
| Total    | %    | 100.0 | 100.0 | 100.0 |

### Taxes paid by country/region

|                      | Unit        | 2023   | 2024   | 2025 |
|----------------------|-------------|--------|--------|------|
| Korea                | million KRW | 17,098 | 11,946 | -    |
| Asia                 | million KRW | 602    | 2,340  | 98   |
| Americas             | million KRW | 112    | 18     | 1    |
| Europe               | million KRW | 6      | 4      | 100  |
| Middle East & Africa | million KRW | 60     | 0      | 316  |

# ESG Data

|                |     |
|----------------|-----|
| Financial Data | 105 |
| ESG Data       | 106 |

- This report includes the non-financial information of 21 major entities, including the parent company, selected based on quantitative materiality (entities representing 1% or more of total assets or revenue) and qualitative materiality (with priority given to listed domestic subsidiaries).
- Where data were unavailable as of the publication date of this report, a dash (“-”) is used. If the reporting boundary differs due to unavailable data from certain subsidiaries, the applicable reporting scope is clearly disclosed in the relevant footnotes.

| Category                                    | Entity                | Consolidated Revenue (Coverage)                                                                                                                                                       |  | Total Workforce (Coverage)                             |                                                                |
|---------------------------------------------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------|----------------------------------------------------------------|
| Entities Included in the Reporting Boundary | Parent Company        | LS Cable & System                                                                                                                                                                     |  |                                                        |                                                                |
|                                             | Domestic Subsidiaries | Gaon Cable, LS Materials, LS Marine Solution, LS Eco Energy, LS EV Korea, Mobo, DKC, G&P, EG Cable, G&P Wood, LS AlSCO, LS Buildwin                                                   |  | KRW 6,849.7 billion                                    |                                                                |
|                                             | Domestic Subsidiaries | LS-VINA Cable & System, LS Cable & System Vietnam, LS Cable & System Wuxi, LS Hongqi Cable & System, LS EV Poland, LS Cable & System Poland, LS Cable & System U.S.A., LS Cable India |  | 90.3% (of consolidated revenue of KRW 7,588.2 billion) |                                                                |
|                                             |                       |                                                                                                                                                                                       |  | 5,730 employees                                        | 94.8% (of the total consolidated workforce of 6,044 employees) |

# Financial Data

## Consolidated statements of financial position

|                                             | Unit        | 2023      | 2024      | 2025      |
|---------------------------------------------|-------------|-----------|-----------|-----------|
| <b>Assets</b>                               |             |           |           |           |
| Total current assets                        | million KRW | 4,004,531 | 4,741,208 | 5,868,067 |
| Total non-current assets                    | million KRW | 2,331,817 | 2,555,848 | 3,135,276 |
| Total assets                                | million KRW | 6,338,428 | 7,299,077 | 9,003,343 |
| <b>Liabilities</b>                          |             |           |           |           |
| Total current liabilities                   | million KRW | 3,193,745 | 4,408,527 | 5,782,136 |
| Total non-current liabilities               | million KRW | 1,217,015 | 1,051,643 | 1,064,517 |
| Total liabilities                           | million KRW | 4,410,760 | 5,460,170 | 6,846,653 |
| <b>Equity</b>                               |             |           |           |           |
| Equity attributable to owners of the Parent | million KRW | 1,438,242 | 1,374,122 | 1,634,317 |
| Share capital                               | million KRW | 111,618   | 111,618   | 120,381   |
| Share premium                               | million KRW | 744,620   | 744,620   | 890,816   |
| Accumulated other comprehensive income      | million KRW | 80,384    | 92,808    | 107,158   |
| Other components of equity                  | million KRW | 313,192   | 253,196   | 311,485   |
| Retained earnings (deficit)                 | million KRW | 188,428   | 171,880   | 204,477   |
| Non-controlling interests                   | million KRW | 489,426   | 464,785   | 522,373   |
| Total equity                                | million KRW | 1,927,668 | 1,838,907 | 2,156,690 |
| Total liabilities and equity                | million KRW | 6,338,428 | 7,299,077 | 9,003,343 |

## Consolidated statement of comprehensive income

|                                                                                               | Unit               | 2023             | 2024             | 2025             |
|-----------------------------------------------------------------------------------------------|--------------------|------------------|------------------|------------------|
| <b>Revenue</b>                                                                                | <b>million KRW</b> | <b>6,217,054</b> | <b>6,765,269</b> | <b>7,588,160</b> |
| Cost of sales                                                                                 | million KRW        | 5,507,377        | 5,992,164        | 6,753,502        |
| Gross profit                                                                                  | million KRW        | 709,677          | 773,105          | 834,658          |
| Selling general administrative expenses                                                       | million KRW        | 456,908          | 463,739          | 540,322          |
| Bad debt expenses (Reversal of allowance for doubtful accounts)                               | million KRW        | 20,247           | 34,032           | 14,491           |
| <b>Operating income(loss)</b>                                                                 | <b>million KRW</b> | <b>232,522</b>   | <b>274,534</b>   | <b>279,845</b>   |
| Other gains                                                                                   | million KRW        | 468,143          | 819,846          | 1,563,901        |
| Other losses                                                                                  | million KRW        | (498,898)        | (871,077)        | (1,625,193)      |
| Finance income                                                                                | million KRW        | 13,034           | 22,668           | 24,078           |
| Finance costs                                                                                 | million KRW        | (41,793)         | (140,063)        | (124,626)        |
| Share of profit (loss) of associates and joint ventures accounted for using the equity method | million KRW        | (3,995)          | 292              | 3,970            |
| Other non-operating profit or loss                                                            | million KRW        | 71,034           | 3,204            | 11,673           |
| Profit (loss) before tax                                                                      | million KRW        | 140,047          | 109,404          | 133,648          |
| Tax expense (income)                                                                          | million KRW        | 28,205           | 59,680           | 31,056           |
| <b>Profit (loss)</b>                                                                          | <b>million KRW</b> | <b>105,411</b>   | <b>44,732</b>    | <b>100,571</b>   |
| Other comprehensive income                                                                    | million KRW        | (7,999)          | 5,281            | 16,997           |
| <b>Total comprehensive income</b>                                                             | <b>million KRW</b> | <b>97,412</b>    | <b>50,013</b>    | <b>117,568</b>   |
| Earnings per share                                                                            |                    |                  |                  |                  |
| Earnings (loss) per share                                                                     | KRW                | 4,063            | 853              | 3,385            |
| Basic earnings (loss) per share                                                               | KRW                | 4,360            | 1,084            | 3,478            |
| Basic earnings (loss) per share from discontinued operations                                  | KRW                | (297)            | (231)            | (93)             |



# Environment

LS Cable & System

## Environmental Management

Percentage of operating sites certified to ISO 14001

|          |                       | Unit                   | No. of worksites<br>subject to certification | No. of certified<br>worksites | Certification<br>rate |
|----------|-----------------------|------------------------|----------------------------------------------|-------------------------------|-----------------------|
| Domestic | LS Cable & System     | Site                   | 4                                            | 3                             | 75%                   |
|          | Production subsidiary | No. of companies       | 12                                           | 9                             | 75%                   |
| Overseas | Production subsidiary | No. of companies       | 8                                            | 7                             | 88%                   |
| Total    |                       | Site, No. of companies | 24                                           | 19                            | 79%                   |

\* LS Cable & System sites subject to assessment include the Gumi Plant, Indong Plant, Donghae Plant, and R&D Center  
 \*\* Subsidiaries that are holding companies, dormant, under liquidation, or in the process of establishment are excluded from the assessment scope

Total waste generated

|                                           |                         | Unit                | 2023  | 2024  | 2025  |
|-------------------------------------------|-------------------------|---------------------|-------|-------|-------|
| Waste generated by type                   | Hazardous waste         | ton                 | 1,735 | 1,816 | 1,731 |
|                                           | Recycling throughput    | ton                 | 1,312 | 1,389 | 1,418 |
|                                           | Incineration throughput | ton                 | 257   | 184   | 209   |
|                                           | Landfill throughput     | ton                 | 52    | 59    | 53    |
|                                           | Other throughput        | ton                 | 114   | 183   | 51    |
|                                           | Non-hazardous waste     | ton                 | 8,186 | 7,509 | 7,539 |
|                                           | Recycling throughput    | ton                 | 7,653 | 7,227 | 7,276 |
|                                           | Incineration throughput | ton                 | 239   | 0     | 22    |
|                                           | Landfill throughput     | ton                 | 294   | 283   | 241   |
|                                           | Other throughput        | ton                 | 0     | 0     | 0     |
|                                           | Total                   | ton                 | 9,922 | 9,325 | 9,270 |
|                                           | Intensity               | ton/100 million KRW | 0.3   | 0.3   | 0.2   |
| Total waste disposed                      |                         | ton                 | 8,966 | 8,616 | 8,694 |
| Percentage of waste diverted to recycling |                         | %                   | 90.4% | 92.4% | 93.8% |
| Waste treatment by type                   | Incineration            | ton                 | 496   | 184   | 231   |
|                                           | Landfill                | ton                 | 346   | 342   | 294   |
|                                           | Others                  | ton                 | 114   | 183   | 51    |
|                                           | Total                   | ton                 | 956   | 709   | 576   |

Environment
 

LS Cable & System

Air pollutants

|                                         |       | Unit               | 2023   | 2024   | 2025   |
|-----------------------------------------|-------|--------------------|--------|--------|--------|
| Air pollutants emissions                | Dust  | kg                 | 1,829  | 1,908  | 1,028  |
|                                         | NOx   | kg                 | 11,338 | 13,366 | 9,609  |
|                                         | SOx   | kg                 | 0      | 0      | 0      |
|                                         | HCl   | kg                 | 1,271  | 1,388  | 1,056  |
|                                         | HF    | kg                 | 33     | 176    | 91     |
|                                         | Total | kg                 | 14,472 | 16,838 | 11,784 |
| Intensity                               | Dust  | kg/100 million KRW | 0.05   | 0.05   | 0.02   |
|                                         | NOx   | kg/100 million KRW | 0.30   | 0.36   | 0.23   |
|                                         | SOx   | kg/100 million KRW | 0.0    | 0.0    | 0.0    |
|                                         | HCl   | kg/100 million KRW | 0.03   | 0.04   | 0.03   |
|                                         | HF    | kg/100 million KRW | 0.00   | 0.00   | 0.00   |
|                                         | Total | kg/100 million KRW | 0.38   | 0.45   | 0.28   |
| No. of air emission facilities          |       | Facility           | 370    | 420    | 468    |
| No. of air pollution control facilities |       | Facility           | 69     | 76     | 80     |
| No. of exempt facilities                |       | Facility           | 57     | 60     | 73     |

Water pollutants

|                            |       | Unit | 2023 | 2024  | 2025  |
|----------------------------|-------|------|------|-------|-------|
| Water pollutants emissions | BOD   | kg   | 271  | 563   | 279   |
|                            | TOC   | kg   | 450  | 515   | 577   |
|                            | SS    | kg   | 209  | 136   | 350   |
|                            | Total | kg   | 930  | 1,214 | 1,206 |

\* In Korea, reporting has been transitioned from COD to TOC following changes to domestic regulatory standards

Water

|                                    |                 |                        | Unit                    | 2023    | 2024    | 2025    |
|------------------------------------|-----------------|------------------------|-------------------------|---------|---------|---------|
| Total water withdrawal by worksite | Gumi Plant      | Municipal water supply | ton                     | 202,552 | 209,356 | 224,971 |
|                                    |                 | Industrial water       | ton                     | 0       | 0       | 0       |
|                                    | Indong Plant    | Municipal water supply | ton                     | 112,875 | 108,627 | 120,815 |
|                                    |                 | Industrial water       | ton                     | 26,817  | 28,973  | 15,485  |
|                                    | Donghae Plant   | Municipal water supply | ton                     | 61,501  | 73,340  | 67,222  |
|                                    |                 | Industrial water       | ton                     | 10,906  | 9,208   | 8,902   |
| Intensity                          |                 |                        | ton/<br>100 million KRW | 9.3     | 9.9     | 8.8     |
| Total water consumption            |                 |                        | ton                     | 350,785 | 368,497 | 367,778 |
| Amount of water recycled or reused | Water recycled  |                        | ton                     | 0       | 0       | 0       |
|                                    | Water reused    |                        | %                       | 0       | 0       | 0       |
| Total water discharge              | Water discharge |                        | ton                     | 63,866  | 61,007  | 69,617  |

\* 2023–2024 water consumption data have been restated following a change in the calculation methodology  
 Water consumption is now calculated as total water withdrawal minus total water discharge  
 \*\* All wastewater is treated on-site before being discharged to wastewater treatment facilities operated by local governments

Environment

LS Cable & System

Chemical emissions

|                    | Unit | 2023 | 2024 | 2025 |
|--------------------|------|------|------|------|
| Chemical emissions | ton  | 0.9  | 0.3  | 0.3  |

Hazardous chemical consumption

|                                | Unit | 2023   | 2024   | 2025  |
|--------------------------------|------|--------|--------|-------|
| Hazardous chemical consumption | ton  | 11,762 | 13,071 | 8,338 |

Environmental regulatory non-compliance

|                                                         | Unit        | 2023 | 2024 | 2025 |
|---------------------------------------------------------|-------------|------|------|------|
| No. of environmental regulatory non-compliance cases    | Case        | 0    | 0    | 0    |
| Total fines for environmental regulatory non-compliance | million KRW | 0    | 0    | 0    |

\* Based on the disclosure criteria of the Korean Environmental Information Disclosure System

Environmental risk assessment

|                                                                       | Unit | 2023 | 2024 | 2025 |
|-----------------------------------------------------------------------|------|------|------|------|
| No. of sites subject to environmental risk assessments                | Site | 3    | 3    | 3    |
| No. of production sites that conducted environmental risk assessments | Site | 2    | 2    | 2    |
| Environmental risk assessment coverage                                | %    | 66.7 | 66.7 | 66.7 |

\* Applicable sites: Gumi, Indong, and Donghae production sites

Environmental risk assessment activities

| Facilities                             | Inspection frequency (HSE Team) |        |                       | Key assessment areas                                                                |
|----------------------------------------|---------------------------------|--------|-----------------------|-------------------------------------------------------------------------------------|
|                                        | Gumi                            | Indong | Donghae               |                                                                                     |
| Air pollution control facilities       | Daily                           | Daily  | Quarterly (As needed) | Compliance inspection of pollution control facilities (corrosion, wear, and damage) |
| Wastewater storage facilities          | Weekly                          | Weekly | Weekly                | Compliance inspection of consigned storage tanks (damage and external leakage)      |
| Hazardous chemical handling facilities | Daily                           | Daily  | Daily                 | Compliance inspection of handling facilities (leakage and ventilation systems)      |
| Waste storage facilities               | Monthly                         | Daily  | Monthly               | Compliance inspection of waste segregation and storage by waste type                |
| Soil contamination control facilities  | N/A                             | Daily  | N/A                   | Compliance inspection of controlled substances and storage capacity limits          |

Hazardous chemicals safety training overview

| Training topic                                        | Target audience                                 | No. of participants | Training method |
|-------------------------------------------------------|-------------------------------------------------|---------------------|-----------------|
| Training for general employees on hazardous chemicals | All employees (excluding handlers and managers) | 1,770               | On&Offline      |
| Training for hazardous chemical handlers              | Employees handling hazardous chemicals          | 171                 | On&Offline      |
| Training for hazardous chemical managers              | Technical personnel and managers                | 4                   | On&Offline      |

Pollutant management training overview

| Training topic                                                        | Target audience                           | No. of participants | Training method |
|-----------------------------------------------------------------------|-------------------------------------------|---------------------|-----------------|
| Legally required training for air environment engineers               | Appointed air environment engineers       | 2                   | On&Offline      |
| Legally required training for water environment engineers             | Appointed water environment engineers     | 1                   | On&Offline      |
| Legally required training for integrated environment manager training | Appointed integrated environment managers | 1                   | On&Offline      |

\* Legally required training for integrated environment manager training: Applicable to Gumi site only

# Environment

LS Cable & System

## GHG inventory and climate disclosure training

| Training topic                | Target audience                                                               | No. of participants | Training method |
|-------------------------------|-------------------------------------------------------------------------------|---------------------|-----------------|
| Scope 3 emissions methodology | Personnel responsible for GHG inventory at domestic and overseas subsidiaries | 18                  | Online          |
| CDP Climate Change            | LS C&S CDP Climate Change responsible personnel                               | 2                   | Online          |

## GHG emissions

### LS C&S's GHG emissions (Scope1・Scope2)<sup>1)2)</sup>

|                                                                |                | Unit                            | 2023            | 2024            | 2025            |
|----------------------------------------------------------------|----------------|---------------------------------|-----------------|-----------------|-----------------|
| Scope 1                                                        |                | tCO <sub>2</sub> eq             | 91,085          | 123,636         | 103,769         |
| Scope 2                                                        | Location-based | tCO <sub>2</sub> eq             | 86,621          | 77,162          | 76,774          |
|                                                                | Market-based   | tCO <sub>2</sub> eq             | 61,583          | 53,805          | 33,623          |
| Total GHG emission (Scope1・Scope2 Location-based/market-based) |                | tCO <sub>2</sub> eq             | 177,706/152,668 | 200,797/177,441 | 180,543/137,392 |
| Intensity (Location-based/market-based) <sup>3)</sup>          |                | tCO <sub>2</sub> eq/million KRW | 0.047/0.040     | 0.054/0.048     | 0.043/0.033     |

1) Scope 1 and Scope 2 emissions were calculated in accordance with the GHG Protocol and the Guidelines for Reporting and Certification of Emissions under the Korea Emissions Trading Scheme (K-ETS)

2) Total emissions were calculated for all LS Cable & System operations, including overseas sales offices

3) Revenue intensity was calculated based on standalone revenue.

## LS C&S and subsidiaries' GHG emissions (Scope3)<sup>1)2)</sup>

|                                                | Unit                | 2023       | 2024       | 2025                            |
|------------------------------------------------|---------------------|------------|------------|---------------------------------|
| C1. Purchased Goods and Services <sup>2)</sup> | tCO <sub>2</sub> eq | 2,085,444  | 2,671,140  |                                 |
| C2. Capital Goods                              | tCO <sub>2</sub> eq | 9,985      | 19,667     |                                 |
| C3. Fuel- and Energy-Related Activities        | tCO <sub>2</sub> eq | 38,424     | 32,070     |                                 |
| C4. Upstream Transportation and Distribution   | tCO <sub>2</sub> eq | 52,654     | 636,047    |                                 |
| C5. Waste Generated in Operations              | tCO <sub>2</sub> eq | 5,159      | 160,899    |                                 |
| C6. Business Travel                            | tCO <sub>2</sub> eq | 1,608      | 1,520      |                                 |
| C7. Employee Commuting                         | tCO <sub>2</sub> eq | 5,523      | 5,193      |                                 |
| C8. Upstream Leased Assets                     | tCO <sub>2</sub> eq | 263        | 63         | Scheduled for reporting in 2027 |
| C9. Downstream Transportation and Distribution | tCO <sub>2</sub> eq | 3,449      | 103,345    |                                 |
| C10. Processing of Sold Products               | tCO <sub>2</sub> eq | 193,323    | 194,168    |                                 |
| C11. Use of Products <sup>3)</sup>             | tCO <sub>2</sub> eq | 71,136,703 | 68,188,142 |                                 |
| C12. End-of-Life Treatment of Sold Products    | tCO <sub>2</sub> eq | 293,647    | 270,241    |                                 |
| C13. Downstream Leased Assets                  | tCO <sub>2</sub> eq | 3          | -          |                                 |
| C14. Franchises                                | tCO <sub>2</sub> eq | -          | -          |                                 |
| C15. Investments                               | tCO <sub>2</sub> eq | 844        | 817        |                                 |
| Total                                          | tCO <sub>2</sub> eq | 73,827,029 | 72,283,312 |                                 |

1) Scope 3 emissions were calculated in accordance with the GHG Protocol based on the Company's internal methodology

2) Scope 3 emissions were calculated to include all consolidated subsidiaries under the operational control of LS C&S

3) Limited assurance was obtained only for the material categories, Category 1 and Category 11

# Environment

LS Cable & System

## Energy Consumption

LS Cable & System energy consumption

|                                        |                           | Unit               | 2023   | 2024   | 2025   |
|----------------------------------------|---------------------------|--------------------|--------|--------|--------|
| Total energy consumption <sup>1)</sup> |                           | TJ                 | 1,173  | 1,119  | 1,108  |
| Energy intensity <sup>2)</sup>         |                           | TJ/100 million KRW | 0.03   | 0.03   | 0.03   |
| By energy source                       | Electricity <sup>3)</sup> | TJ                 | 597    | 539    | 524    |
|                                        | LNG <sup>4)</sup>         | TJ                 | 468    | 493    | 479    |
|                                        | Steam                     | TJ                 | 107    | 87     | 105    |
| Total renewable energy consumption     |                           | MWh                | 54,500 | 50,840 | 96,981 |
| By production plant                    | Gumi plant                | MWh                | -      | -      | 44,064 |
|                                        | Indong plant              | MWh                | 21,000 | 12,193 | 16,786 |
|                                        | Donghae plant             | MWh                | 33,500 | 38,647 | 36,131 |
| Renewable electricity share            |                           | %                  | 33     | 34     | 65     |

1) Total energy consumption data for 2023 and 2024 have been restated following a change in the reporting boundary to a consolidated basis, including overseas sales offices  
 2) Revenue intensity was calculated based on revenue reported in the separate financial statements  
 3) Electricity consumption was calculated in accordance with the GHG Protocol and international energy statistics standards  
 4) The energy consumption category has been changed from city gas (LNG) to fuel consumption.

## Eco-friendly Vehicles

Eco-friendly vehicles

|                       |                                     | Unit     | 2023 | 2024  | 2025  |
|-----------------------|-------------------------------------|----------|------|-------|-------|
| Eco-friendly vehicles | Total number of vehicles            | Vehicles | 137  | 140   | 144   |
|                       | No. of eco-friendly vehicles        | Vehicles | 10   | 15    | 63    |
|                       | Percentage of eco-friendly vehicles | %        | 7.3% | 10.7% | 43.8% |

\* Eco-friendly vehicles: Electric vehicles (EVs), hybrid vehicles (HEVs), hydrogen fuel cell electric vehicles (FCEVs), solar-powered vehicles, etc  
 \*\* Scope: Company-owned and company-leased vehicles

## Resource Circulation

Extended producer responsibility

|                                                                                              |  | Unit | 2023   | 2024   | 2025   |
|----------------------------------------------------------------------------------------------|--|------|--------|--------|--------|
| Voluntary collection and recycling of plastic from power/communication cable wastes in Korea |  |      |        |        |        |
| Plastic used in power/communications cables                                                  |  | ton  | 20,554 | 19,936 | 16,158 |
| Plastic collected and recycled                                                               |  | ton  | 4,049  | 3,923  | 3,345  |
| Plastic collected and recycled                                                               |  | %    | 19.7   | 19.2   | 20.7   |

|                                                                  |  | Unit | 2023 | 2024 | 2025 |
|------------------------------------------------------------------|--|------|------|------|------|
| Voluntary collection and recycling of plastic packaging in Korea |  |      |      |      |      |
| Plastic packaging delivery volume                                |  | ton  | 273  | 282  | 314  |
| Required recycling volume                                        |  | ton  | 235  | 246  | -    |
| Recycling volume                                                 |  | ton  | 308  | 296  | -    |

\* 2023 and 2024 performance data have been revised following updates to data submitted by the Korea Cable Recycling Cooperative  
 \*\* The 2025 recycling volume will be aggregated in the second half of 2026

## Key Raw Materials

Consumption of key raw materials

|                                  |                               | Unit | 2023    | 2024   | 2025   |
|----------------------------------|-------------------------------|------|---------|--------|--------|
| Consumption of key raw materials | Copper (Cathode copper)       | ton  | 106,740 | 98,492 | 90,113 |
|                                  | Recycled copper consumption   | ton  | 0       | 0      | 0      |
|                                  | Aluminum                      | ton  | 7,301   | 3,552  | 4,306  |
|                                  | Recycled aluminum consumption | ton  | 0       | 0      | 0      |
|                                  | Lead                          | ton  | 11,175  | 13,041 | 7,911  |
|                                  | Recycled lead consumption     | ton  | 0       | 0      | 0      |

Environment
 Domestic and overseas subsidiaries

Environmental Management

Percentage of operating sites certified to ISO 14001

|                                                      | Unit | No. of sites<br>subject to certification | No. of certified<br>sites | Certification<br>rate |
|------------------------------------------------------|------|------------------------------------------|---------------------------|-----------------------|
| Percentage of operating sites certified to ISO 14001 | Site | 20                                       | 16                        | 80%                   |

Waste<sup>1)</sup>

|                                           | Unit                          | 2023   | 2024   | 2025   |
|-------------------------------------------|-------------------------------|--------|--------|--------|
| Total waste generated                     | ton                           | 13,223 | 12,684 | 11,328 |
| By type                                   | Hazardous waste <sup>2)</sup> | ton    | 2,046  | 2,115  |
|                                           | Non-hazardous waste           | ton    | 11,177 | 10,569 |
| Total weight of waste recovered           | ton                           | 7,003  | 6,370  | 5,903  |
| Percentage of waste diverted to recycling | %                             | 53.0%  | 50.2%  | 52.1%  |

1) Calculated based on 17 subsidiaries, excluding LS Eco Energy, LS Buildwin, and LS Cable & System USA  
 2) Monitoring criteria applicable in each country where the operating sites are located were applied

Air pollutants<sup>3)</sup>

|                          | Unit  | 2023 | 2024   | 2025   |
|--------------------------|-------|------|--------|--------|
| Air pollutants emissions | NOx   | kg   | 2,821  | 3,445  |
|                          | SOx   | kg   | 1,759  | 6,658  |
|                          | PM    | kg   | 16,260 | 18,136 |
|                          | Total | kg   | 20,840 | 28,238 |

3) Calculated for 18 subsidiaries, excluding LS C&S Vietnam and LS C&S USA. Certain companies have no relevant emissions, as they do not have air emission facilities or do not generate NOx, SOx, or PM due to their process characteristics

Water pollutants<sup>4)</sup>

|                            | Unit                        | 2023 | 2024  | 2025  |
|----------------------------|-----------------------------|------|-------|-------|
| Water pollutants emissions | TOC - Domestic subsidiaries | kg   | 72    | 74    |
|                            | COD - Overseas subsidiaries | kg   | 4,173 | 2,547 |
|                            | BOD                         | kg   | 1,321 | 1,517 |
|                            | SS                          | kg   | 3,496 | 2,785 |
|                            | Total                       | kg   | 9,062 | 6,924 |

4) Calculated for 19 subsidiaries, excluding LS C&S USA. Certain companies have no relevant emissions, as they do not generate TOC, BOD, or SS due to their process characteristics or are not subject to regulatory monitoring requirements.

Water<sup>5)</sup>

|                                    | Unit | 2023    | 2024    | 2025    |
|------------------------------------|------|---------|---------|---------|
| Total water withdrawal             | ton  | 455,971 | 428,517 | 421,108 |
| Total water discharge              | ton  | 290,361 | 284,484 | 266,845 |
| Total water consumption            | ton  | 165,610 | 144,034 | 154,263 |
| Amount of water recycled or reused | ton  | 87,229  | 83,700  | 84,309  |

5) Calculated for 19 subsidiaries, excluding LS Eco Energy

Environmental training

|                                                                                | Unit     | 2023 | 2024 | 2025 |
|--------------------------------------------------------------------------------|----------|------|------|------|
| No. of employees who received training on specific environmental topics        | Employee | 509  | 505  | 453  |
| Percentage of employees who received training on specific environmental topics | %        | 13.9 | 14.1 | 12.9 |



# Environment

Domestic and overseas subsidiaries

## Environmental risk assessment

|                                                                          | Unit | 2023 | 2024 | 2025 |
|--------------------------------------------------------------------------|------|------|------|------|
| No. of production sites assessed for specific environmental risks        | Site | 15   | 15   | 15   |
| Percentage of production sites assessed for specific environmental risks | %    | 75.0 | 75.0 | 75.0 |

## Environmentally certified products

|                                           | Unit    | 2023 | 2024 | 2025 |
|-------------------------------------------|---------|------|------|------|
| No. of environmentally certified products | Product | 8    | 8    | 8    |
| Gaon Cable                                | Product | 8    | 8    | 8    |

## Key raw materials

### Consumption of key raw materials<sup>1)</sup>

|                       |                         | Unit | 2023    | 2024    | 2025    |
|-----------------------|-------------------------|------|---------|---------|---------|
| Domestic subsidiaries | Copper (Cathode copper) | ton  | 104,679 | 102,000 | 93,658  |
|                       | Aluminum                | ton  | 25,390  | 25,220  | 27,160  |
|                       | Lead                    | ton  | 114     | 51      | 72      |
| Overseas subsidiaries | Copper (Cathode copper) | ton  | 70,440  | 75,200  | 58,169  |
|                       | Aluminum                | ton  | 12,905  | 15,915  | 14,873  |
|                       | Lead                    | ton  | 1,404   | 848     | 2,540   |
| Total                 | Copper (Cathode copper) | ton  | 175,119 | 177,201 | 151,827 |
|                       | Aluminum                | ton  | 38,296  | 41,134  | 42,034  |
|                       | Lead                    | ton  | 1,518   | 899     | 2,612   |

1) Calculated for subsidiaries engaged in wire and cable manufacturing, the core business of the consolidated group. Subsidiaries engaged in component assembly, construction, and holding company operations reported no consumption

## GHG Emissions

### Domestic subsidiaries’ GHG emissions (Scope1・Scope2)<sup>2)3)</sup>

|                                                                |                | Unit                                | 2023          | 2024   | 2025   |
|----------------------------------------------------------------|----------------|-------------------------------------|---------------|--------|--------|
| Scope 1                                                        |                | tCO <sub>2</sub> eq                 | 26,400        | 24,460 | 24,682 |
| Scope 2                                                        | Location-based | tCO <sub>2</sub> eq                 | 66,988        | 65,136 | 63,231 |
|                                                                | Market-based   | tCO <sub>2</sub> eq                 | 66,919        | 65,136 | 63,231 |
| Total GHG emission (Scope1・Scope2 Location-based/market-based) |                | tCO <sub>2</sub> eq                 | 93,388/93,319 | 89,596 | 87,913 |
| Intensity (Location-based/market-based) <sup>4)</sup>          |                | tCO <sub>2</sub> eq/<br>million KRW | 0.040/0.040   | 0.032  | 0.029  |

2) Scope 1 and Scope 2 emissions were calculated in accordance with the GHG Protocol. Emissions data from 2023 onward have been subject to limited assurance

\* Emission factors under the national Emissions Trading Scheme (ETS) were applied as the primary emission factors for Scope 2

3) Calculated to include all domestic consolidated subsidiaries over which LS C&S has operational control

4) Revenue intensity was calculated based on the Company’s separate financial statements

### GHG emissions of subsidiaries (Scope 3)

\* Scope 3 GHG emissions of subsidiaries are disclosed on an aggregated basis with those of LS C&S

## Energy Consumption

### Domestic subsidiaries’ energy consumption<sup>5)</sup>

|                                    |                           | Unit               | 2023 | 2024 | 2025 |
|------------------------------------|---------------------------|--------------------|------|------|------|
| Total energy consumption           |                           | TJ                 | 913  | 878  | 899  |
| Energy intensity <sup>6)</sup>     |                           | TJ/100 million KRW | 0.04 | 0.03 | 0.03 |
| By energy source                   | Electricity <sup>7)</sup> | TJ                 | 513  | 497  | 489  |
|                                    | LNG                       | TJ                 | 385  | 363  | 400  |
|                                    | Steam                     | TJ                 | 15   | 18   | 10   |
| Total renewable energy consumption |                           | MWh                | 150  | -    | 143  |
| Renewable electricity share        |                           | %                  | 0.1  | -    | 0.1  |

5) Calculated to include all domestic consolidated subsidiaries over which LS C&S has operational control

6) Revenue intensity was calculated based on the Company’s separate financial statements

7) Electricity consumption was calculated in accordance with the GHG Protocol and international energy statistics standards

# Environment

Domestic and overseas subsidiaries

## GHG Emissions

### Overseas subsidiaries’ GHG emissions (Scope1・Scope2)<sup>1)2)</sup>

|                                                                |                | Unit                                | 2023          | 2024          | 2025          |
|----------------------------------------------------------------|----------------|-------------------------------------|---------------|---------------|---------------|
| Scope 1                                                        |                | tCO <sub>2</sub> eq                 | 13,739        | 10,078        | 10,259        |
| Scope 2                                                        | Location-based | tCO <sub>2</sub> eq                 | 65,184        | 67,090        | 57,689        |
|                                                                | Market-based   | tCO <sub>2</sub> eq                 | 64,260        | 66,184        | 52,825        |
| Total GHG emission (Scope1・Scope2 Location-based/market-based) |                | tCO <sub>2</sub> eq                 | 78,923/77,999 | 77,168/76,262 | 67,948/63,084 |
| Intensity (Location-based/market-based) <sup>3)</sup>          |                | tCO <sub>2</sub> eq/<br>million KRW | 0.041/0.041   | 0.035/0.035   | 0.030/0.028   |

1) Scope 1 and Scope 2 emissions were calculated in accordance with the GHG Protocol. Emissions data from 2023 onward have been subject to limited assurance

\* Emission factors under the national Emissions Trading Scheme (ETS) were applied as the primary emission factors for Scope 2. For other countries, IEA Emission Factors were applied

2) Calculated to include all overseas consolidated subsidiaries over which LS C&S has operational control

3) Revenue intensity was calculated based on the Company's separate financial statements

### GHG emissions of subsidiaries (Scope 3)

\* Scope 3 GHG emissions of subsidiaries are disclosed on an aggregated basis with those of LS C&S

## Energy Consumption

### Overseas subsidiaries’ energy consumption<sup>4)</sup>

|                                    |                           | Unit               | 2023  | 2024  | 2025  |
|------------------------------------|---------------------------|--------------------|-------|-------|-------|
| Total energy consumption           |                           | TJ                 | 601   | 560   | 541   |
| Energy intensity <sup>5)</sup>     |                           | TJ/100 million KRW | 0.03  | 0.03  | 0.02  |
| By energy source                   | Electricity <sup>6)</sup> | TJ                 | 393   | 407   | 372   |
|                                    | LNG                       | TJ                 | 208   | 153   | 169   |
|                                    | Steam                     | TJ                 | -     | -     | -     |
| Total renewable energy consumption |                           | MWh                | 1,333 | 1,307 | 8,679 |
| Renewable electricity share        |                           | %                  | 1.2   | 1.0   | 8.4   |

4) Calculated to include all overseas consolidated subsidiaries over which LS C&S has operational control

5) Revenue intensity was calculated based on the Company's separate financial statements

6) Electricity consumption was calculated in accordance with the GHG Protocol and international energy statistics standards

# Society & People

LS Cable & System

## Executives and Employees

### Status of executives and employees

|                              |                              | Unit     | 2023  | 2024  | 2025  |
|------------------------------|------------------------------|----------|-------|-------|-------|
| Total workforce              |                              | Employee | 2,158 | 2,130 | 2,210 |
| Workforce by employment type | Executive                    | Employee | 21    | 22    | 19    |
|                              | Permanent                    | Employee | 1,961 | 1,963 | 1,970 |
|                              | Temporary                    | Employee | 176   | 145   | 221   |
| Workforce by job category    | Production                   | Employee | 976   | 917   | 928   |
|                              | Administrative               | Employee | 1,182 | 1,208 | 1,282 |
| Excluded workforce           | Registered executive officer | Employee | 6     | 5     | 5     |
|                              | Overseas resident employees  | Employee | 40    | 35    | 29    |
| Non-employee workers         |                              | Employee | 517   | 521   | 527   |
| Average years of service     |                              | Year     | 12    | 12    | 11    |
| No. of employee departures   |                              | Employee | 262   | 275   | 301   |
| Employee turnover rate       |                              | %        | 12.1  | 12.9  | 13.6  |
| No. of voluntary departures  |                              | Employee | 124   | 123   | 80    |
| Voluntary turnover rate      |                              | %        | 5.7   | 5.8   | 3.6   |

\* Total workforce: Executives, regular workers, temporary workers

### Diversity and Equal Opportunity

|                                                                            |                                                 | Unit     | 2023  | 2024  | 2025  |
|----------------------------------------------------------------------------|-------------------------------------------------|----------|-------|-------|-------|
| Employees by age group                                                     | Under 30                                        | Employee | 444   | 399   | 422   |
|                                                                            | 30 to under 50                                  | Employee | 1,161 | 1,200 | 1,283 |
|                                                                            | 50 and above                                    | Employee | 553   | 531   | 505   |
| Employees by work location                                                 | Republic of Korea                               | Employee | 2,152 | 2,123 | 2,206 |
|                                                                            | Asia-Pacific (excluding the Republic of Korea)  | Employee | 17    | 12    | 14    |
|                                                                            | North America                                   | Employee | 10    | 11    | 10    |
|                                                                            | Europe                                          | Employee | 17    | 7     | 8     |
|                                                                            | Others                                          | Employee | 2     | 3     | 3     |
| No. of employees from minority or vulnerable groups in the total workforce | Veterans                                        | Employee | 40    | 38    | 37    |
|                                                                            | Persons with disabilities (direct employment)   | Employee | 26    | 39    | 45    |
|                                                                            | Persons with disabilities (indirect employment) | Employee | 12    | 12    | 12    |

### Employee compensation and benefits expenses

|                                   |                                                 | Unit                 | 2023        | 2024        | 2025        |
|-----------------------------------|-------------------------------------------------|----------------------|-------------|-------------|-------------|
| Total amount of employee salaries |                                                 | 1,000 KRW            | 169,490,294 | 176,629,891 | 190,206,046 |
| Retirement benefit plan           | No. of participants (DC)                        | Employee             | 315         | 360         | 348         |
|                                   | Assets under management                         | million KRW          | 1,973       | 1,893       | 1,859       |
|                                   | No. of participants (DB)                        | Employee             | 1,365       | 1,275       | 1,492       |
|                                   | Assets under management                         | million KRW          | 28,372      | 28,279      | 23,109      |
| Employee welfare expenses         | Medical expenses of family members of employees | No. of applicants    | Employee    | 379         | 364         |
|                                   |                                                 | No. of beneficiaries | Employee    | 432         | 443         |
|                                   | School expenses                                 | The amount paid      | 1,000 KRW   | 821,200     | 825,300     |
|                                   |                                                 | No. of applicants    | Employee    | 212         | 204         |
|                                   |                                                 | No. of beneficiaries | Employee    | 517         | 506         |
|                                   |                                                 | The amount paid      | 1,000 KRW   | 1,596,478   | 1,485,458   |
|                                   |                                                 |                      |             |             | 1,519,811   |

# Society & People

LS Cable & System

## Gender diversity

|                     |                                              | Unit     | 2023  | 2024  | 2025  |
|---------------------|----------------------------------------------|----------|-------|-------|-------|
| New hires by gender | Male                                         | Employee | 240   | 232   | 132   |
|                     | Female                                       | Employee | 48    | 56    | 65    |
| Employees by gender | Male                                         | Employee | 1,965 | 1,935 | 1,993 |
|                     | Female                                       | Employee | 193   | 195   | 217   |
|                     | Percentage of female in the total workforce  | %        | 16.3  | 16.1  | 16.9  |
| Male managers       | No. of employees                             | Employee | 684   | 700   | 664   |
|                     | No. of employees                             |          | 47    | 51    | 54    |
| Female managers     | Percentage of female in management positions | %        | 6.4   | 6.8   | 7.5   |

\* Female employees exclude production employees  
 \*\* Percentage of female in the total workforce: Calculated based on office employees, excluding production workers

## Performance evaluation

|                                                                     |  | Unit     | 2023  | 2024  | 2025  |
|---------------------------------------------------------------------|--|----------|-------|-------|-------|
| No. of Employees who set MBO goals agreed upon with their superior  |  | Employee | 1,065 | 1,056 | 1,071 |
| Ratio of employees who set MBO goals with their superior's approval |  | %        | 100   | 100   | 100   |

\* Performance evaluation eligibility criteria: Based on internal operational standards

## Establishment of individual career development plans

|                                                                 |  | Unit     | 2023  | 2024  | 2025  |
|-----------------------------------------------------------------|--|----------|-------|-------|-------|
| No. of employees with Individual Development Plans (IDP)        |  | Employee | 1,065 | 1,056 | 1,071 |
| Percentage of employees with Individual Development Plans (IDP) |  | %        | 100   | 100   | 100   |

\* Percentage based on employees eligible for performance evaluations under the Company's internal criteria

## Talent development and training

|                                                                       |  | Unit            | 2023  | 2024  | 2025  |
|-----------------------------------------------------------------------|--|-----------------|-------|-------|-------|
| Total training hours                                                  |  | Thousand hours  | 144   | 147   | 144   |
| Training hours per person(based on eligible employees)                |  | Hour            | 94    | 121   | 123   |
| Training investment expenses                                          |  | 100 million KRW | 40    | 42    | 42    |
| Training investment expenses per person (based on eligible employees) |  | 10 thousand KRW | 200   | 210   | 265   |
| No. of employees who received skills-related training                 |  | Employee        | 1,532 | 1,215 | 1,171 |
| Percentage of employees who received skills-related training          |  | %               | 71.0  | 57.0  | 53.0  |

\* Training hours per employee and total training hours for 2023–2024 have been restated due to changes in the calculation methodology

## Entry-level employee compensation

|                                                                            |                | Unit | 2023  | 2024  | 2025  |
|----------------------------------------------------------------------------|----------------|------|-------|-------|-------|
| Ratio of entry-level employee wage to minimum wage at major business sites | Production     | %    | 133.2 | 134.7 | 130.9 |
|                                                                            | Administrative | %    | 166.0 | 175.1 | 172.1 |

\* Major business sites include the domestic sites of LS Cable & System

## Annual Total Compensation Ratio

|                                                                                                                                |  | Unit        | 2023  | 2024  | 2025  |
|--------------------------------------------------------------------------------------------------------------------------------|--|-------------|-------|-------|-------|
| Annual total compensation of the highest-paid individual <sup>1)</sup>                                                         |  | million KRW | 1,151 | 1,508 | 1,834 |
| Median annual total compensation of all employees <sup>2)</sup>                                                                |  | million KRW | 72    | 76    | 82    |
| Ratio of the annual total compensation of the highest-paid individual to the median annual total compensation of all employees |  | Times       | 16.0  | 19.7  | 22.4  |

1) CEO compensation disclosed in the business report  
 2) Excluding the Chair of the Board, CEO

# Society & People

LS Cable & System

## Unadjusted gender pay gap

|                                                  | Unit        | 2023 | 2024 | 2025 |
|--------------------------------------------------|-------------|------|------|------|
| Average annual compensation for male employees   | million KRW | 81   | 86   | 88   |
| Average annual compensation for female employees | million KRW | 52   | 55   | 57   |
| Unadjusted gender pay gap                        | %           | 35.8 | 36.0 | 35.2 |

## Wage levels at major sites<sup>1)</sup> in 2025

|               | Unit     | Statutory minimum wage | Living wage <sup>2)</sup> | Actual wages paid |
|---------------|----------|------------------------|---------------------------|-------------------|
| Headquarters  | KRW/hour | 10,030                 | 11,750                    | 27,408            |
| Gumi plant    | KRW/hour | 10,030                 | 11,670                    | 20,478            |
| Indong plant  | KRW/hour | 10,030                 | 11,670                    | 20,478            |
| Donghae plant | KRW/hour | 10,030                 | 11,678                    | 19,269            |

1) Major sites refer to the locations of LS Cable & System's headquarters and three production plants

2) Living wages are established and officially announced by the respective local government Living Wage Committees for the locations of the headquarters and three production plants

## Flexible work arrangements

|                                                          | Unit     | 2023 | 2024 | 2025 |
|----------------------------------------------------------|----------|------|------|------|
| Availability of flexible work arrangements               | Employee | 158  | 353  | 377  |
| No. of employees using flexible working hours            | Employee | 37   | 0    | 0    |
| No. of employees using the flexible working hours system | Employee | 0    | 0    | 0    |
| No. of employees using remote work                       | Employee | 0    | 0    | 0    |

\* Indicates whether at least one flexible work arrangement is available and utilized, including flexible start and finish times, a selective working hours system, or remote working

\* Selective working hours system: A flexible working arrangement that allows employees to adjust their daily working hours and start/end times, provided that the average weekly working hours do not exceed 40 hours over a settlement period of up to one month

## Parental Leave

|                                                                                                   | Unit     | 2023 | 2024 | 2025 |
|---------------------------------------------------------------------------------------------------|----------|------|------|------|
| No. of employees who took parental leave                                                          | Employee | 21   | 31   | 46   |
| Male                                                                                              | Employee | 8    | 24   | 35   |
| Female                                                                                            | Employee | 13   | 7    | 11   |
| Parental leave utilization rate                                                                   | %        | 19   | 42   | 26   |
| Male                                                                                              | %        | 4    | 34   | 25   |
| Female                                                                                            | %        | 100  | 100  | 100  |
| No. of employees who returned to work after parental leave                                        | Employee | 11   | 11   | 27   |
| Male                                                                                              | Employee | 6    | 10   | 26   |
| Female                                                                                            | Employee | 5    | 1    | 1    |
| No. of employees expected to return from parental leave                                           | Employee | 10   | 18   | 19   |
| Male                                                                                              | Employee | 2    | 13   | 9    |
| Female                                                                                            | Employee | 8    | 5    | 10   |
| No. of employees who remained employed for at least 12 months after returning from parental leave | Employee | 19   | 27   | 22   |
| Male                                                                                              | Employee | 7    | 22   | 13   |
| Female                                                                                            | Employee | 12   | 5    | 9    |
| No. of employees using reduced working hours during the childcare period                          | Employee | 2    | 0    | 1    |
| No. of employees using spousal childbirth leave                                                   | Employee | 37   | 42   | 70   |

The female parental leave utilization rate includes employees who are currently on maternity leave or who are scheduled to take parental leave within one year after childbirth

\* No. of employees taking parental leave: Employees who used parental leave at any time during the reporting year

\* Parental leave utilization rate: Percentage of employees who, as of the end of the reporting year, were employed or on leave, had a child born during the reporting year, and had taken parental leave within one year of the child's birth

\* Employees retained for at least 12 months after returning from parental leave: Number of employees who returned to work in the previous reporting year and remained employed for at least 12 months

\* No. of employees using reduced working hours for childcare: Employees who used the reduced working hours for childcare program at any time during the reporting year

\* No. of employees taking paternity leave: Employees who used paternity leave at any time during the reporting year

# Society & People

LS Cable & System

## Human Rights and Diversity

### Human rights impact assessment

|                                                                                                                                                                                                                                   |                             | Unit | 2023           | 2024           | 2025 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|------|----------------|----------------|------|
| Percentage of operating sites assessed for human rights impacts or risks                                                                                                                                                          | Sites subject to assessment | Site | Not applicable | Not applicable | 6    |
|                                                                                                                                                                                                                                   | Sites assessed              | Site | Not applicable | Not applicable | 6    |
|                                                                                                                                                                                                                                   | Assessment coverage         | %    | Not applicable | Not applicable | 100  |
| * Sites subject to assessment include the headquarters, production sites (Gumi, Indong, and Donghae), the Central R&D Center, and the Seoul Office<br>** The Company's first human rights impact assessment was conducted in 2025 |                             |      |                |                |      |

### Human rights training

|                                                                                       |                                          | Unit     | 2023  | 2024  | 2025  |
|---------------------------------------------------------------------------------------|------------------------------------------|----------|-------|-------|-------|
| No. of employees who received anti-discrimination and anti-harassment training        | Sexual harassment prevention training    | Employee |       |       |       |
|                                                                                       | Disability awareness training            | Employee | 2,291 | 2,226 | 2,260 |
|                                                                                       | Workplace harassment prevention training | Employee |       |       |       |
| Percentage of employees who received anti-discrimination and anti-harassment training |                                          | %        | 100.0 | 100.0 | 100.0 |
| * Human rights training data exclude overseas employees and employees on leave        |                                          |          |       |       |       |

### Human rights and diversity violations

|                                                            |                       | Unit | 2023 | 2024 | 2025 |
|------------------------------------------------------------|-----------------------|------|------|------|------|
| No. of reported incidents of child labor or forced labor   |                       | Case | 0    | 0    | 0    |
| No. of confirmed incidents of discrimination or harassment |                       | Case | 0    | 0    | 2    |
| No. of corrective actions taken                            |                       | Case | 0    | 0    | 2    |
|                                                            | Disciplinary measures | Case | 0    | 0    | 2    |
|                                                            | Others                | Case | 0    | 0    | 0    |

### Labor union membership status

|                                                                                                              |  | Unit     | 2023  | 2024  | 2025  |
|--------------------------------------------------------------------------------------------------------------|--|----------|-------|-------|-------|
| Union member                                                                                                 |  | Employee | 928   | 905   | 857   |
| Union participation rate                                                                                     |  | %        | 100.0 | 100.0 | 100.0 |
| Negotiation with labor unions on operational changes                                                         |  | Case     | 0     | 0     | 0     |
| Labor dispute                                                                                                |  | Time     | 0     | 0     | 0     |
| * Union participation rate is calculated based on production employees who are eligible for union membership |  |          |       |       |       |

### Labor union membership by worksite

|               |  | Unit     | 2023 | 2024 | 2025 |
|---------------|--|----------|------|------|------|
| Gumi plant    |  | Employee | 384  | 384  | 357  |
| Indong plant  |  | Employee | 248  | 225  | 204  |
| Donghae plant |  | Employee | 296  | 296  | 296  |

### Employees covered by collective bargaining agreements

|                                                                     |  | Unit     | 2023  | 2024  | 2025  |
|---------------------------------------------------------------------|--|----------|-------|-------|-------|
| No. of employees covered by collective bargaining agreements        |  | Employee | 1,961 | 1,963 | 1,970 |
| Percentage of employees covered by collective bargaining agreements |  | %        | 90.9  | 92.2  | 89.1  |

\* Employees not covered by collective bargaining agreements: Executives, Fixed-term employees



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## Freedom of association and collective bargaining

|                                                                                                                | Unit           | 2023                                                            | 2024                                                            | 2025                                                            |
|----------------------------------------------------------------------------------------------------------------|----------------|-----------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|
| Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | Site, Supplier | No applicable cases were identified during the reporting period | No applicable cases were identified during the reporting period | No applicable cases were identified during the reporting period |

## Occupational Health and Safety

### Percentage of operating sites certified to ISO 45001

|          |                       | Unit                   | No. of worksites subject to certification | No. of certified worksites | Certification rate |
|----------|-----------------------|------------------------|-------------------------------------------|----------------------------|--------------------|
| Domestic | LS Cable & System     | Site                   | 4                                         | 3                          | 75%                |
|          | Production subsidiary | No. of companies       | 12                                        | 7                          | 58%                |
| Overseas | Production subsidiary | No. of companies       | 8                                         | 5                          | 63%                |
| Total    |                       | Site, No. of companies | 24                                        | 15                         | 63%                |

\* LS Cable & System sites subject to assessment include the Gumi Plant, Indong Plant, Donghae Plant, and R&D Center  
 \*\* Subsidiaries that are holding companies, dormant, under liquidation, or in the process of establishment are excluded from the assessment scope

## Investment in safety

|                                             | Unit        | 2023  | 2024  | 2025  |
|---------------------------------------------|-------------|-------|-------|-------|
| Investment expenses in safety field,        | million KRW | 4,126 | 4,870 | 2,960 |
| No. of cases in safety facility improvement | Case        | 34    | 39    | 30    |

## Safety training and risk assessments

|                                                                                              | Unit     | 2023   | 2024   | 2025   |
|----------------------------------------------------------------------------------------------|----------|--------|--------|--------|
| No. of operating sites that conducted occupational health and safety risk assessments        | Site     | 3      | 3      | 3      |
| Percentage of operating sites that conducted occupational health and safety risk assessments | %        | 100.0  | 100.0  | 100.0  |
| No. of employees who received occupational health and safety training                        | Employee | 1,581  | 1,586  | 1,532  |
| Percentage of employees who received occupational health and safety training                 | %        | 73.3   | 74.5   | 69.3   |
| Total occupational health and safety training hours                                          | Hour     | 47,388 | 90,934 | 49,094 |
| Occupational health and safety training hours per employee                                   | Hour     | 30     | 57     | 32     |

## Incidents and injuries

|                    | Unit          | 2023      | 2024      | 2025      |
|--------------------|---------------|-----------|-----------|-----------|
| Total Hours Worked | Hour          | 5,748,864 | 5,890,368 | 6,067,776 |
| LTIR               | 200,000 hours | 0.44      | 0.66      | 0.67      |
| TRIR               | 200,000 hours | 1.05      | 1.12      | 1.02      |

\* Lost Time Injury Rate=(Number of LTI)\*200,000/Number of hours worked  
 \*\* Total Recordable Injury Rate=(Number of RI)\*200,000/Number of hours worked

## Industrial health and safety committee

|                         | Unit     | 2023 | 2024 | 2025 |
|-------------------------|----------|------|------|------|
| No. of committee member | Employee | 36   | 36   | 36   |

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## Supplier

### Transactions made with business suppliers

|                                         |                                                               | Unit             | 2023   | 2024   | 2025   |
|-----------------------------------------|---------------------------------------------------------------|------------------|--------|--------|--------|
| Total number of suppliers               |                                                               | No. of companies | 1,281  | 1,226  | 1,285  |
|                                         | Raw material and commodity procurement suppliers              | No. of companies | 506    | 438    | 472    |
|                                         | Non-ferrous, construction, and services procurement suppliers | No. of companies | 775    | 788    | 813    |
| Key suppliers among all suppliers       |                                                               | No. of companies | 256    | 245    | 257    |
| Total transaction amount with suppliers |                                                               | 100 million KRW  | 26,967 | 31,670 | 33,036 |

\* Key suppliers: Top 20% based on total purchase amount

### Supplier ESG requirements

|                                                                         |  | Unit             | 2023 | 2024 | 2025 |
|-------------------------------------------------------------------------|--|------------------|------|------|------|
| Target suppliers subject to the Supplier Code of Conduct                |  | No. of companies | n/a  | n/a  | 472  |
| No. of target suppliers that signed the Supplier Code of Conduct        |  | No. of companies | n/a  | n/a  | 302  |
| Percentage of target suppliers that signed the Supplier Code of Conduct |  | %                | n/a  | n/a  | 64.0 |

\* Signatures are collected electronically through the e-Procurement system

### Mutual growth with suppliers

|                                                    |                                                          | Unit            | 2023  | 2024  | 2025  |
|----------------------------------------------------|----------------------------------------------------------|-----------------|-------|-------|-------|
| Grade in the shared growth evaluation              |                                                          | Grade           | Good  | Good  | -     |
| Total amount of support provided for mutual growth | Win-win payment program for suppliers (bank partnership) | 100 million KRW | 1,600 | 1,600 | 1,600 |
|                                                    | Other supplier financial support programs                | 100 million KRW | 15    | 12    | 26    |
|                                                    | Total                                                    | 100 million KRW | 1,615 | 1,612 | 1,626 |

\* The grade for 2025 is scheduled to be announced in the second half of 2026

### Handling of suppliers' grievances

|                             |  | Unit | 2023 | 2024 | 2025 |
|-----------------------------|--|------|------|------|------|
| No. of grievances submitted |  | Case | 0    | 0    | 0    |

\* Whistleblowing channels: LS C&S Cyber report, Business ethics survey, Subcontract dispute mediation committee

### Global procurement status (100 million KRW, %)

| Region   | 2025 Procurement amount |  | Share  |
|----------|-------------------------|--|--------|
| Total    | 33,036                  |  | 100.0% |
| Domestic | 25,811                  |  | 78.1%  |
| Overseas | 7,225                   |  | 21.9%  |
| Americas | 1,944                   |  | 5.9%   |
| Europe   | 1,478                   |  | 4.5%   |
| Asia     | 1,647                   |  | 5.0%   |
| Japan    | 1,415                   |  | 4.3%   |
| China    | 733                     |  | 2.2%   |
| Others   | 9                       |  | 0.0%   |

\* Includes suppliers of non-ferrous metals, commodities, raw materials, and non-operating items (e.g., construction, manufacturing, equipment)

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Supplier evaluation

|                                                         |                                                                                               | Unit             | 2023  | 2024                                                                     | 2025                                                                     |
|---------------------------------------------------------|-----------------------------------------------------------------------------------------------|------------------|-------|--------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Periodic QCDS assessment (Document review)              | Suppliers subject to periodic QCDS assessment                                                 | No. of companies | 421   | 458                                                                      | 482                                                                      |
|                                                         | Suppliers completing periodic QCDS assessment                                                 | No. of companies | 421   | 458                                                                      | 482                                                                      |
|                                                         | Periodic QCDS assessment completion rate                                                      | %                | 100.0 | 100.0                                                                    | 100.0                                                                    |
| Periodic on-site audit                                  | Suppliers subject to periodic on-site audits                                                  | No. of companies | 93    | 101                                                                      | 107                                                                      |
|                                                         | Suppliers completing periodic on-site audits                                                  | No. of companies | 24    | 14                                                                       | 33                                                                       |
|                                                         | Periodic on-site audit completion rate                                                        | %                | 25.8  | 13.9                                                                     | 30.8                                                                     |
| New supplier qualification assessment (Document review) | New suppliers assessed against environmental criteria                                         | No. of companies | n/a   | 21                                                                       | 18                                                                       |
|                                                         | Percentage of new suppliers assessed against environmental criteria                           | %                | n/a   | 100%                                                                     | 100%                                                                     |
|                                                         | Negative environmental impacts identified in the supply chain and actions taken               | No. of companies | n/a   | No negative environmental impacts identified during the reporting period | No negative environmental impacts identified during the reporting period |
|                                                         | New suppliers assessed against social criteria                                                | No. of companies | n/a   | 21                                                                       | 18                                                                       |
|                                                         | Percentage of new suppliers assessed against social criteria                                  | %                | n/a   | 100%                                                                     | 100%                                                                     |
|                                                         | Negative social impacts identified in the supply chain and actions taken                      | No. of companies | n/a   | No negative social impacts identified during the reporting period        | No negative social impacts identified during the reporting period        |
|                                                         | New suppliers assessed for anti-corruption and information security                           | No. of companies | n/a   | 21                                                                       | 18                                                                       |
|                                                         | Percentage of new suppliers assessed for anti-corruption and information security             | %                | n/a   | 100%                                                                     | 100%                                                                     |
|                                                         | Suppliers identified as high risk through anti-corruption or information security assessments | No. of companies | n/a   | No suppliers identified as high risk during the reporting period         | No suppliers identified as high risk during the reporting period         |
|                                                         |                                                                                               |                  |       |                                                                          |                                                                          |
| Supply chain ESG assessment                             | Suppliers subject to ESG assessments                                                          | No. of companies | n/a   | n/a                                                                      | 15                                                                       |
|                                                         | Suppliers completing ESG assessments                                                          | No. of companies | n/a   | n/a                                                                      | 3                                                                        |
|                                                         | ESG assessment completion rate                                                                | %                | n/a   | n/a                                                                      | 20                                                                       |
|                                                         | Suppliers participating in corrective action plans or capability development programs         | No. of companies | n/a   | n/a                                                                      | 3                                                                        |

\* QCDS: Quality, Cost, Delivery, Service

\*\* Criteria for selecting suppliers subject to periodic QCDS assessments

- Products and raw materials: transaction value of 500 million KRW or more and 10 or more deliveries (excluding non-ferrous material suppliers)
- Indirect purchases (fabrication, equipment, and commercial products): Transaction value of 10 million KRW or more
- Construction: Suppliers with project performance in the previous year

\*\*\* Criteria for selecting suppliers subject to periodic on-site audits

- Products and raw materials: Suppliers with transaction values of 500 million KRW or more that are selected by procurement managers based on the need for an on-site audit
- Indirect purchases (fabrication, equipment, and commercial products) and construction suppliers: Not subject to on-site audits

# Society & People

LS Cable & System

## Product Quality and Responsibility

### Innovation activities by quality circles

|                             | Unit | 2023 | 2024 | 2025 |
|-----------------------------|------|------|------|------|
| Themed quality circle tasks | Case | 67   | 72   | 71   |
| Proposals per person        | Case | 21   | 21   | 21   |
| Total                       | Case | 88   | 93   | 92   |

### Product quality evaluation technologies

|                                                      | Unit | 2023 | 2024 | 2025 |
|------------------------------------------------------|------|------|------|------|
| Energy <sup>1)</sup>                                 | Case | 9    | 7    | 5    |
| Power distribution <sup>2)</sup>                     | Case | 5    | 3    | 5    |
| Telecommunication/Industrial Solutions <sup>3)</sup> | Case | 7    | 3    | 4    |
| Materials                                            | Case | 2    | 1    | 1    |
| Total                                                | Case | 23   | 14   | 15   |

1) Extra-high-voltage cables, power equipment, submarine cables, and overhead lines  
 2) Power distribution solutions, busduct, and industrial specialty cables (from 2025)  
 3) Industrial specialty cables were included through 2024

## Social Contribution

### Donations and participants

|                                |                                                 | Unit        | 2023  | 2024 | 2025  |
|--------------------------------|-------------------------------------------------|-------------|-------|------|-------|
| Social contribution activities | Cash donations                                  | million KRW | 1,036 | 778  | 852   |
|                                | No. of participants                             | Employee    | 1,390 | 568  | 1,033 |
| Donations and contributions    | Trade associations and tax-exempt organizations | million KRW | 327   | 304  | 323   |
|                                | Lobbying and interest groups                    | million KRW | 0     | 0    | 0     |
|                                | Political contributions                         | million KRW | 0     | 0    | 0     |

\* Cash donation: The LS Corp.'s donation participation amount for charitable donations is excluded from the total

## Customers

### R&D investment

|                               | Unit        | 2023   | 2024   | 2025   |
|-------------------------------|-------------|--------|--------|--------|
| R&D personnel                 | Employee    | 192    | 193    | 197    |
| Percentage of total personnel | %           | 17.4   | 16.0   | 15.4   |
| R&D investment costs          | million KRW | 46,747 | 32,321 | 44,776 |
| Government subsidies          | million KRW | 440    | -      | -      |
| R&D investment to sales ratio | %           | 0.8    | 0.4    | 0.01   |

### Intellectual property

|          |              | Unit | 2023 | 2024 | 2025 |
|----------|--------------|------|------|------|------|
| Domestic | Registration | Case | 903  | 868  | 887  |
|          | Application  | Case | 516  | 402  | 483  |
| Overseas | Registration | Case | 344  | 305  | 319  |
|          | Application  | Case | 167  | 192  | 187  |

\* Application: Accumulated total

### National project undertakings

|                       | Unit        | 2023  | 2024 | 2025  |
|-----------------------|-------------|-------|------|-------|
| Government investment | million KRW | 1,094 | 685  | 1,305 |

Society & People
 Domestic and overseas subsidiaries

Executives and Employees

Status of executives and employees

|                              |           | Unit     | 2023  | 2024  | 2025  |
|------------------------------|-----------|----------|-------|-------|-------|
| Total workforce              |           | Employee | 3,650 | 3,589 | 3,520 |
| Workforce by employment type | Executive | Employee | 206   | 209   | 183   |
|                              | Permanent | Employee | 2,647 | 2,651 | 2,693 |
|                              | Temporary | Employee | 797   | 729   | 644   |
| Non-employee workers         |           | Employee | 330   | 277   | 306   |
| Total number of managers     |           | Employee | 573   | 595   | 618   |
| No. of employee departures   |           | Employee | 552   | 444   | 409   |
| No. of voluntary departures  |           | Employee | 438   | 331   | 271   |

Diversity and Equal Opportunity

|                                                                                          |                                                | Unit     | 2023  | 2024  | 2025  |
|------------------------------------------------------------------------------------------|------------------------------------------------|----------|-------|-------|-------|
| Employees by age group                                                                   | Under 30                                       | Employee | 567   | 562   | 585   |
|                                                                                          | 30 to under 50                                 | Employee | 2,539 | 2,489 | 2,361 |
|                                                                                          | 50 and above                                   | Employee | 545   | 539   | 574   |
| Employees by work location                                                               | Republic of Korea                              | Employee | 1,313 | 1,327 | 1,366 |
|                                                                                          | Asia-Pacific (excluding the Republic of Korea) | Employee | 1,816 | 1,784 | 1,682 |
|                                                                                          | North America                                  | Employee | 294   | 302   | 313   |
|                                                                                          | Europe                                         | Employee | 213   | 157   | 142   |
|                                                                                          | Others                                         | Employee | 14    | 19    | 17    |
| No. of employees from minority or vulnerable groups in the total workforce <sup>1)</sup> | Persons with disabilities                      | Employee | 18    | 21    | 19    |
|                                                                                          | Percentage of employees with disabilities      | %        | 1.35  | 1.55  | 1.35  |

Gender diversity

|                                  |                                              | Unit     | 2023  | 2024  | 2025  |
|----------------------------------|----------------------------------------------|----------|-------|-------|-------|
| Employees by gender              | Male                                         | Employee | 3,241 | 3,209 | 3,158 |
|                                  | Female                                       | Employee | 409   | 380   | 362   |
|                                  | Percentage of women in the total workforce   | %        | 11.2  | 10.6  | 10.3  |
| New hires by gender              | Male                                         | Employee | 509   | 482   | 439   |
|                                  | Female                                       | Employee | 55    | 45    | 49    |
| Management composition by gender | Managers (Male and Female)                   | Employee | 604   | 626   | 659   |
|                                  | No. of female in management positions        | Employee | 49    | 54    | 61    |
|                                  | Percentage of female in management positions | %        | 8.1   | 8.6   | 9.3   |

Parental Leave<sup>2)</sup>

|                                                                                                   |        | Unit     | 2023 | 2024 | 2025  |
|---------------------------------------------------------------------------------------------------|--------|----------|------|------|-------|
| No. of employees who took parental leave                                                          |        | Employee | 9    | 22   | 28    |
|                                                                                                   | Male   | Employee | 8    | 15   | 21    |
|                                                                                                   | Female | Employee | 1    | 7    | 7     |
| No. of employees eligible for parental leave                                                      |        | Employee | 307  | 309  | 308   |
|                                                                                                   | Male   | Employee | 303  | 299  | 301   |
|                                                                                                   | Female | Employee | 4    | 10   | 7     |
| Parental leave utilization rate                                                                   |        | %        | 2.9  | 7.1  | 9.1   |
|                                                                                                   | Male   | %        | 2.6  | 5.0  | 7.0   |
|                                                                                                   | Female | %        | 25.0 | 70.0 | 100.0 |
| No. of employees who remained employed for at least 12 months after returning from parental leave |        | Employee | 16   | 6    | 8     |
|                                                                                                   | Male   | Employee | 12   | 5    | 5     |
|                                                                                                   | Female | Employee | 4    | 1    | 3     |

1) Employees from minority or vulnerable groups across the organization were calculated based on domestic subsidiaries.

2) Parental leave data were calculated based on domestic subsidiaries.

# Society & People

Domestic and overseas subsidiaries

## Talent Development

### Performance evaluation

|                                                                                   | Unit     | 2023  | 2024  | 2025  |
|-----------------------------------------------------------------------------------|----------|-------|-------|-------|
| No. of Employees who set MBO goals agreed upon with their superior <sup>1)</sup>  | Employee | 2,561 | 2,531 | 2,517 |
| Ratio of employees who set MBO goals with their superior's approval <sup>1)</sup> | %        | 97.7  | 98.3  | 99.0  |
| No. of employees with Individual Development Plans (IDP) <sup>2)</sup>            | Employee | 942   | 873   | 898   |

1) Calculated for 18 subsidiaries, excluding LS EV Poland and LS C&S Poland  
 2) Calculated for 16 subsidiaries, excluding LS C&S Vietnam, LS EV Poland, LS C&S Poland, and LS C&S USA

### Talent development and training

|                                                              | Unit     | 2023   | 2024   | 2025   |
|--------------------------------------------------------------|----------|--------|--------|--------|
| Total training hours                                         | Hour     | 49,159 | 59,566 | 56,202 |
| Training hours per person                                    | Hour     | 24.8   | 29.8   | 28.47  |
| No. of employees who received skills-related training        | Employee | 1,976  | 1,998  | 1,974  |
| Percentage of employees who received skills-related training | %        | 54.1   | 55.7   | 56.1   |

## Human Rights and Diversity

### Training and human rights impact assessment

|                                                                                       | Unit     | 2023  | 2024  | 2025  |
|---------------------------------------------------------------------------------------|----------|-------|-------|-------|
| No. of employees who received human rights training                                   | Employee | 1,191 | 1,232 | 1,348 |
| No. of employees who received anti-discrimination and anti-harassment training        | Employee | 2,171 | 2,293 | 2,289 |
| Percentage of employees who received anti-discrimination and anti-harassment training | %        | 59.5  | 63.9  | 65.0  |
| Percentage of operating sites assessed for human rights impacts or risks              | %        | 13.0  | 13.0  | 17.4  |

### Human rights and diversity violations

|                                                                                | Unit | 2023 | 2024 | 2025 |
|--------------------------------------------------------------------------------|------|------|------|------|
| No. of confirmed discrimination or harassment incidents and corrective actions | Case | 0    | 1    | 0    |
| No. of reported incidents of child labor or forced labor                       | Case | 0    | 0    | 0    |

### Employees covered by collective bargaining agreements<sup>3)</sup>

|                                                                     | Unit     | 2023 | 2024 | 2025 |
|---------------------------------------------------------------------|----------|------|------|------|
| No. of employees covered by collective bargaining agreements        | Employee | 882  | 908  | 961  |
| Percentage of employees covered by collective bargaining agreements | %        | 66.2 | 67.0 | 68.3 |

3) Calculated based on domestic subsidiaries

## Occupational Health and Safety

### Percentage of operating sites certified to ISO 45001

|                                                      | Unit | No. of sites subject to certification | No. of certified sites | Certification rate |
|------------------------------------------------------|------|---------------------------------------|------------------------|--------------------|
| Percentage of operating sites certified to ISO 45001 | Site | 20                                    | 12                     | 60                 |

### Incidents and injuries<sup>4)</sup>

|                    | Unit          | 2023      | 2024      | 2025      |
|--------------------|---------------|-----------|-----------|-----------|
| Total hours worked | Hour          | 7,907,783 | 7,811,671 | 7,481,582 |
| LTIR <sup>5)</sup> | 200,000 hours | 0.56      | 0.72      | 0.53      |
| TRIR <sup>6)</sup> | 200,000 hours | 0.91      | 1.08      | 0.88      |

4) Calculated for 19 subsidiaries, excluding LS Eco Energy  
 5) Lost Time Injury Rate=(Number of LTI)\*200,000/Number of hours worked  
 6) Total Recordable Injury Rate=(Number of RI)\*200,000/Number of hours worked

# Society & People

Domestic and overseas subsidiaries

## Occupational health and safety training and risk assessments

|                                                                                              | Unit     | 2023  | 2024  | 2025  |
|----------------------------------------------------------------------------------------------|----------|-------|-------|-------|
| No. of operating sites that conducted occupational health and safety risk assessments        | Site     | 18    | 19    | 18    |
| Percentage of operating sites that conducted occupational health and safety risk assessments | %        | 78.3  | 82.6  | 78.3  |
| No. of employees who received occupational health and safety training                        | Employee | 2,075 | 2,199 | 2,271 |
| Percentage of employees who received occupational health and safety training                 | %        | 56.8  | 61.3  | 64.5  |

## Suppliers

### Supplier procurement status<sup>1)</sup>

|                                                                                                                        | Unit     | 2023 | 2024 | 2025 |
|------------------------------------------------------------------------------------------------------------------------|----------|------|------|------|
| Key suppliers <sup>2)</sup>                                                                                            | Supplier | 215  | 213  | 226  |
| No. of target suppliers that signed the Supplier Code of Conduct                                                       | Supplier | 34   | 103  | 111  |
| Percentage of target suppliers that signed the Supplier Code of Conduct                                                | %        | 15.8 | 48.4 | 49.1 |
| No. of target suppliers with contracts that include environmental, labor, human rights, and ethics requirements        | Supplier | 101  | 103  | 111  |
| Percentage of target suppliers with contracts that include environmental, labor, human rights, and ethics requirements | %        | 47.0 | 48.4 | 49.1 |

1) Calculated based on domestic subsidiaries  
 2) Target suppliers consisting of product and raw material suppliers ranked in the top 20% by procurement spend

### Supplier sustainability<sup>3)</sup>

|                                                                                                                                                                              | Unit     | 2023 | 2024 | 2025 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|------|------|------|
| No. of key suppliers assessed for sustainability                                                                                                                             | Supplier | 73   | 65   | 75   |
| No. of key suppliers identified as having actual or potential adverse environmental or social impacts                                                                        | Supplier | 4    | 4    | 4    |
| No. of key suppliers with identified adverse environmental or social impacts that implemented corrective action plans or participated in supplier capacity-building programs | Supplier | 4    | 4    | 4    |
| No. of suppliers subject to due diligence for anti-corruption or information security                                                                                        | Supplier | 52   | 43   | 48   |
| No. of suppliers identified as having anti-corruption or information security risks through due diligence                                                                    | Supplier | -    | -    | -    |

3) Calculated based on domestic subsidiaries.

### Sustainable procurement training

|                                                                                  | Unit     | 2023 | 2024 | 2025 |
|----------------------------------------------------------------------------------|----------|------|------|------|
| No. of employees performing procurement functions                                | Employee | 69   | 69   | 69   |
| No. of procurement employees who completed fair trade compliance training        | Employee | 41   | 42   | 41   |
| Percentage of procurement employees who completed fair trade compliance training | %        | 59.4 | 60.9 | 59.4 |



Governance

LS Cable & System

Compliance Management

Compliance training

|                                                    | Unit             | 2023 | 2024 | 2025 |
|----------------------------------------------------|------------------|------|------|------|
| Offline in-person training (LS C&S)                | Employee         | 483  | 557  | 571  |
| Offline in-person training (Domestic subsidiaries) | No. of companies | 8    | 9    | 10   |

Sustainable procurement training

|                                                                                  | Unit     | 2023  | 2024 | 2025 |
|----------------------------------------------------------------------------------|----------|-------|------|------|
| No. of employees performing procurement functions                                | Employee | 34    | 35   | 37   |
| No. of procurement employees who completed fair trade compliance training        | Employee | 34    | 32   | 33   |
| Percentage of procurement employees who completed fair trade compliance training | %        | 100.0 | 91.4 | 89.2 |

Legal and regulatory violations

|                                           |                                                                                                                | Unit        | 2023 | 2024 | 2025 |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------|-------------|------|------|------|
| Legal and regulatory violations and fines | Violations of fair trade laws <sup>1)</sup>                                                                    | Case        | 0    | 0    | 0    |
|                                           | Monetary sanctions imposed by administrative and public authorities (Environment)                              | Case        | 0    | 0    | 0    |
|                                           | Monetary sanctions and fines imposed by administrative and public authorities (Occupational Health and Safety) | Case        | 0    | 0    | 2    |
|                                           |                                                                                                                | million KRW | 0    | 0    | 3    |
|                                           | Violations of anti-bribery and anti-corruption laws                                                            | Case        | 0    | 0    | 0    |
|                                           | Violations of marketing communications laws and regulations                                                    | Case        | 0    | 0    | 0    |
|                                           | Violations related to product information and labeling                                                         | Case        | 0    | 0    | 0    |
|                                           | Other social and economic compliance violations                                                                | Case        | 0    | 0    | 0    |
| No. of non-monetary sanctions             | No. of sanctions related to other social and economic compliance matters                                       | Case        | 0    | 0    | 0    |

1) As of the end of 2025, certain legal and regulatory matters are subject to ongoing investigations or arbitration proceedings. As final judgments or decisions have not yet been rendered, they are excluded from this metric

Certifications

|        | Unit | No. of worksites subject to certification | No. of certified worksites | Certification rate |
|--------|------|-------------------------------------------|----------------------------|--------------------|
| LS C&S | EA   | 5                                         | 2                          | 40.0               |

\* Certifications refer to ISO 27001, ISO 37001, and ISO 37301.

# Governance

LS Cable & System

## Ethical Management

### Status of reports received and actions taken through the ethics reporting channels

|                                                                                                              | Unit     | 2023 | 2024 | 2025 |
|--------------------------------------------------------------------------------------------------------------|----------|------|------|------|
| No. of reports received through the whistleblowing system                                                    | Case     | 11   | 11   | 6    |
| No. of confirmed corruption incidents                                                                        | Case     | 1    | 0    | 0    |
| No. of confirmed information security incidents                                                              | Case     | 0    | 0    | 0    |
| No. of confirmed grievances (customer complaints, supplier grievances, and business improvement suggestions) | Case     | 7    | 7    | 3    |
| No. of confirmed cases related to other misconduct (workplace culture violations)                            | Case     | 2    | 2    | 1    |
| Subsidiary-related                                                                                           | Case     | 1    | 2    | 2    |
| Ethics report resolution rate                                                                                | %        | 100  | 100  | 100  |
| Business ethics training                                                                                     |          |      |      |      |
| Total business ethics training hours                                                                         | Hour     | 208  | 218  | 246  |
| No. of employees who completed business ethics training                                                      | Employee | 104  | 109  | 123  |
| Percentage of employees who completed business ethics training                                               | %        | 4.8  | 5.1  | 5.6  |
| Business ethics assessments and audits                                                                       | Score    | 76.8 | 78.2 | 78.9 |
| No. of sites that underwent business ethics assessments or audits                                            | Site     | 5    | 5    | 5    |
| Percentage of sites that underwent business ethics assessments or audits                                     | %        | 100  | 100  | 100  |
| No. of ethics consultations                                                                                  | Case     | 0    | 2    | 0    |
| No. of employees who signed the Ethics Pledge                                                                | Employee | 318  | 248  | 338  |
| Percentage of employees who signed the Ethics Pledge                                                         | %        | 14.7 | 11.6 | 15.3 |
| No. of suppliers who signed the Ethics Pledge                                                                | Supplier | 27   | 39   | 29   |
| Percentage of suppliers who signed the Ethics Pledge                                                         | %        | 100  | 100  | 100  |

## Board of Directors

### Board of Directors operation status

|                             | Unit                         | 2023   | 2024 | 2025 |
|-----------------------------|------------------------------|--------|------|------|
| Members                     | Internal directors           | Person | 5    | 5    |
|                             | Auditor                      | Person | 2    | 1    |
| Board meetings              | Meetings                     | Time   | 20   | 21   |
|                             | Internal director attendance | %      | 97   | 99   |
| Board of Directors' agendas | Approval                     | Case   | 59   | 74   |
|                             | Report                       | Case   | 6    | 5    |

### Board of Directors remunerations

|                                               | Unit                             | 2023        | 2024  | 2025  |
|-----------------------------------------------|----------------------------------|-------------|-------|-------|
| CEO remunerations                             | CEO's total remunerations        | million KRW | 1,151 | 1,508 |
|                                               | Total remunerations              | million KRW | 6,915 | 7,999 |
| Internal directors and auditor's remuneration | Average remunerations per person | million KRW | 988   | 2,333 |

### Training/support for auditor

|                                          | Unit     | 2023 | 2024 | 2025 |
|------------------------------------------|----------|------|------|------|
| Internal organization to support auditor | Employee | 32   | 30   | 29   |

### Enhancement of shareholder value

|                                    | Unit        | 2023   | 2024   | 2025   |
|------------------------------------|-------------|--------|--------|--------|
| Total cash dividends               | million KRW | 21,646 | 25,976 | 28,079 |
| Consolidated dividend payout ratio | %           | 24.6   | 140.7  | 38.2   |
| Cash dividend per share            | KRW         | 1,000  | 1,200  | 1,200  |

Information Security

Information security incidents and violations

|         |                                                           | Unit        | 2023 | 2024 | 2025 |
|---------|-----------------------------------------------------------|-------------|------|------|------|
| By type | Data management violations                                | Case        | 0    | 0    | 0    |
|         | Customer/employee data breaches                           | Case        | 0    | 0    | 0    |
|         | Fines and penalties due to information security violation | million KRW | 0    | 0    | 0    |
|         | Personal information leakages, thefts, and losses         | Case        | 0    | 0    | 0    |
|         | Fines and penalties due to information security violation | million KRW | 0    | 0    | 0    |

Employees training

|                          | Unit     | 2023  | 2024  | 2025  |
|--------------------------|----------|-------|-------|-------|
| No. of employees trained | Employee | 1,122 | 1,110 | 1,172 |
| Training hours           | Hour     | 1,122 | 1,110 | 1,172 |

Taxation

Corporate income tax expense

|                              | Unit        | 2023   | 2024   | 2025   |
|------------------------------|-------------|--------|--------|--------|
| Corporate income tax expense | million KRW | 28,205 | 59,680 | 31,056 |

\* Consolidated basis

Proportion of taxes paid by region

|          | Unit | 2023  | 2024  | 2025  |
|----------|------|-------|-------|-------|
| Domestic | %    | 96    | 83    | -     |
| Overseas | %    | 4     | 17    | 100   |
| Total    | %    | 100.0 | 100.0 | 100.0 |

Taxes paid by country

|                    | Unit        | 2023   | 2024   | 2025 |
|--------------------|-------------|--------|--------|------|
| Republic of Korea  | million KRW | 17,098 | 11,946 | -    |
| Asia               | million KRW | 602    | 2,340  | 98   |
| Americas           | million KRW | 112    | 18     | 1    |
| Europe             | million KRW | 6      | 4      | 100  |
| Middle East·Africa | million KRW | 60     | 0      | 316  |

Governance
 Domestic and overseas subsidiaries

Ethical Management

Status of reports received and actions taken through the ethics reporting channels

|                                                                          | Unit     | 2023 | 2024 | 2025 |
|--------------------------------------------------------------------------|----------|------|------|------|
| No. of reports received through the whistleblowing system                | Case     | 1    | 1    | 3    |
| No. of confirmed corruption incidents                                    | Case     | 1    | 1    | 1    |
| No. of confirmed information security incidents                          | Case     | 1    | 2    | 3    |
| No. of employees who completed business ethics training                  | Employee | 438  | 611  | 730  |
| Percentage of employees who completed business ethics training           | %        | 12.0 | 17.0 | 20.7 |
| No. of sites that underwent business ethics assessments or audits        | Site     | 2    | 3    | 3    |
| Percentage of sites that underwent business ethics assessments or audits | %        | 8.7  | 13.0 | 13.0 |

Certifications<sup>1)</sup>

|                                                                                                            | Unit | No. of sites subject to certification | No. of certified sites | Certification rate |
|------------------------------------------------------------------------------------------------------------|------|---------------------------------------|------------------------|--------------------|
| Percentage of sites certified to ISO 27001, ISO 37001, or other ethics-related management system standards | Site | 23                                    | 1                      | 4.3                |

1) Holding companies and subsidiaries that are dormant, under liquidation, or in the process of establishment are excluded from the calculation

# Others

## Membership Status in Associations and Major Donation Recipients

### Membership status

|                                                             |                                                 |                                              |
|-------------------------------------------------------------|-------------------------------------------------|----------------------------------------------|
| UN Global Compact                                           | SBTi                                            | CoRei                                        |
| Korea Engineering & Consulting follows. Association (KENCA) | Korean Institute of Electrical Engineers (KIEE) | Korea Electric Association                   |
| Korea Ocean Grid Industry Association                       | International Superconductivity Industry Summit | Jeonnam Wind Power Association               |
| KEWIC                                                       | Korea Electric Contractors Association          | CIRED KOREA                                  |
| Korea Information and Communication Contractors Association | CLPA (CC-Link Association)                      | ODVA                                         |
| ICF                                                         | Korea Listed Companies Association              | Korea Rare-earth Industry Association        |
| Korea CIO Forum                                             | Korea Enterprises Federation                    | Korea International Trade Association (KITA) |
| Korea Emergency Planning Association                        | CDP                                             | Industry Climate Change Adaptation Council   |
| Korea Electric Wire Industry Cooperative (KEWIC)            | Korea Wind Energy Industry Association          | Korea Data Center Council                    |
| Korea Data Center Efficiency association                    | Korea Rolling Stock Industries Association      | Korea Railway Association                    |
| Korea Cable Recycling Cooperative                           | Fair Competition Federation                     | Korea HRD association                        |
| Korea Personnel Improvement Association                     | Anyang Chamber of Commerce                      | Anyang Reserve Commander Association         |

### Beneficiaries of donations

|                                                |                                                |                             |
|------------------------------------------------|------------------------------------------------|-----------------------------|
| Anyang regional association of legal committee | Donghae Logistics & Industry Foundation        | Social Welfare Corp Aehyang |
| Gumi City Social Welfare Center                | Korean Red Cross Kyeongsangbuk District Office | Community Chest Of Korea    |
| Hwangsang Child Care Center                    | Sungshim Nursing Center                        | Ansa Regional Community     |
| Donghae City Social Welfare Council            | Donghae Culture and Tourism Foundation         | Donghae Sports Council      |

## Correction of Report Content

Some information previously recorded in the earlier report (published in May 2025) has been corrected due to reasons such as clerical errors and changes in the methodology for calculating quantitative data. The details are as Korea Engineering & Consulting follows.

|                                                              | Page | Correction details                                                                                           |
|--------------------------------------------------------------|------|--------------------------------------------------------------------------------------------------------------|
| 2023-2024 training hours per employee, total training hours  | 115  | 2023–2024 data have been restated due to changes in the calculation methodology                              |
| No. of employees covered by collective bargaining agreements | 117  | Changes in the calculation methodology                                                                       |
| 2023-2025 Total water consumption                            | 107  | Changes in the calculation methodology                                                                       |
| TOC emissions                                                | 107  | In Korea, reporting has been transitioned from COD to TOC following changes to domestic regulatory standards |
| Ethics training(No. of employees trained)                    | 126  | 2023–2024 data have been restated due to the omission of certain personnel                                   |
| Ethics training(Training hours)                              | 126  | Input error                                                                                                  |
| 2024 new suppliers screened using environmental criteria     | 120  | Input error                                                                                                  |
| 2024 new suppliers screened using social criteria            | 120  | Input error                                                                                                  |
| Annual Total Compensation Ratio                              | 115  | The formula and values are unchanged. The footnote has been corrected due to a clerical error                |



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ISSB Index  
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# Appendix

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# GRI Index

Statement of use  
LS C&S has reported on sustainability management in accordance with the GRI Standards for the period of January 1, 2025 to December 31, 2025.

GRI 1 used  
GRI 1: Foundation 2021

Applicable GRI Sector Standards  
Sector standards not applicable as of the date of issue

| GRI                             | Disclosure                                                                       | Reporting Page                      | Note                      |
|---------------------------------|----------------------------------------------------------------------------------|-------------------------------------|---------------------------|
| General Disclosures             |                                                                                  |                                     |                           |
| GRI 2: General Disclosures 2021 | 2-1 Organizational details                                                       | 7, 10                               |                           |
|                                 | 2-2 Entities included in the organization's sustainability reporting             | 2, 104                              |                           |
|                                 | 2-3 Reporting period, frequency and contact point                                | 2                                   |                           |
|                                 | 2-4 Restatements of information                                                  | 129                                 |                           |
|                                 | 2-5 External assurance                                                           | 140-141                             |                           |
|                                 | 2-6 Activities, value chain and other business relationships                     | 20                                  |                           |
|                                 | 2-7 Employees                                                                    | 114, 122                            |                           |
|                                 | 2-8 Workers who are not employees                                                | 114, 122                            |                           |
|                                 | 2-9 Governance structure and composition                                         | 99                                  |                           |
|                                 | 2-10 Nomination and selection of the highest governance body                     | -                                   | Business report p.315~316 |
|                                 | 2-11 Chair of the highest governance body                                        | -                                   | Business report p.314     |
|                                 | 2-12 Role of the highest governance body in overseeing the management of impacts | 17                                  |                           |
|                                 | 2-13 Delegation of responsibility for managing impacts                           | 17                                  |                           |
|                                 | 2-14 Role of the highest governance body in sustainability reporting             | 17                                  |                           |
|                                 | 2-15 Conflicts of interest                                                       | -                                   | Business report p.317~318 |
|                                 | 2-16 Communication of critical concerns                                          | 17, 99                              |                           |
|                                 | 2-17 Collective knowledge of the highest governance body                         | 99                                  |                           |
|                                 | 2-18 Evaluation of the performance of the highest governance body                | -                                   | Business report p.334~340 |
|                                 | 2-19 Remuneration policies                                                       | -                                   | Business report p.334~340 |
|                                 | 2-20 Process to determine remuneration                                           | 100                                 |                           |
|                                 | 2-21 Annual total compensation ratio                                             | 115                                 |                           |
|                                 | 2-22 Statement on sustainable development strategy                               | 5-6                                 |                           |
|                                 | 2-23 Policy commitments                                                          | 138                                 |                           |
|                                 | 2-24 Embedding policy commitments                                                | 29, 61, 68, 71, 73, 78, 93, 96, 103 |                           |
|                                 | 2-25 Processes to remediate negative impacts                                     | 101                                 |                           |
|                                 | 2-26 Mechanisms for seeking advice and raising concerns                          | 70, 84, 92, 95                      |                           |
|                                 | 2-27 Compliance with laws and regulations                                        | 125                                 |                           |
|                                 | 2-28 Membership associations                                                     | 129                                 |                           |
|                                 | 2-29 Approach to stakeholder engagement                                          | 22                                  |                           |
|                                 | 2-30 Collective bargaining agreements                                            | 60                                  |                           |



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# GRI Index

| GRI                                     | Disclosure                                                                                                          | Reporting Page | Note                                                                                                                                          |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Material Topic & Topic Standards        |                                                                                                                     |                |                                                                                                                                               |
| GRI 3: Material Topics 2021             | 3-1 Process to determine material topics                                                                            | 23             |                                                                                                                                               |
|                                         | 3-2 List of material topics                                                                                         | 24             |                                                                                                                                               |
|                                         | 3-3 Management of material topics                                                                                   | 25             |                                                                                                                                               |
| Material Topic 1                        | Climate Action                                                                                                      |                |                                                                                                                                               |
| GRI 3: Material Topics 2021             | 3-3 Management of material topics                                                                                   | 38-47          |                                                                                                                                               |
| GRI 201: Economic Performance           | 201-2 Financial implications and other risks and opportunities due to climate change                                | 39             |                                                                                                                                               |
|                                         | 305-1 Direct GHG emissions (Scope 1)                                                                                | 109, 112-113   |                                                                                                                                               |
|                                         | 305-2 Indirect GHG emissions (Scope 2)                                                                              | 109, 112-113   |                                                                                                                                               |
|                                         | 305-3 Other indirect GHG emissions (Scope 3)                                                                        | 109, 112-113   |                                                                                                                                               |
|                                         | 305-4 GHG emissions intensity                                                                                       | 109, 112-113   |                                                                                                                                               |
| GRI 305: Emissions                      | 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions                               | 107, 111       |                                                                                                                                               |
| Material Topic 2                        | Occupational Health and Safety                                                                                      |                |                                                                                                                                               |
| GRI 3: Material Topics 2021             | 3-3 Management of material topics                                                                                   | 61-67          |                                                                                                                                               |
|                                         | 403-1 Occupational health and safety management system                                                              | 62             |                                                                                                                                               |
|                                         | 403-2 Hazard identification, risk assessment, and incident investigation                                            | 64             |                                                                                                                                               |
|                                         | 403-3 Occupational health services                                                                                  | 63-64          |                                                                                                                                               |
|                                         | 403-4 Worker participation, consultation, and communication on occupational health and safety                       | 65, 67         |                                                                                                                                               |
|                                         | 403-5 Worker training on occupational health and safety                                                             | 118, 124       |                                                                                                                                               |
|                                         | 403-6 Promotion of worker health                                                                                    | 67             |                                                                                                                                               |
|                                         | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 67             |                                                                                                                                               |
|                                         | 403-8 Workers covered by an occupational health and safety management system                                        | 62             |                                                                                                                                               |
|                                         | 403-9 Work-related injuries                                                                                         | 118, 123       |                                                                                                                                               |
| GRI 403: Occupational Health and Safety | 403-10 Work-related ill health                                                                                      | -              | No specific types of illnesses or abnormally high incidence of injuries or diseases by gender or age were identified; therefore, not included |
| Material Topic 3                        | Compliance Management                                                                                               |                |                                                                                                                                               |
| GRI 3: Material Topics 2021             | 3-3 Management of material topics                                                                                   | 89-92          |                                                                                                                                               |
| GRI 206: Anti-competitive Behavior      | 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices                               | 125            |                                                                                                                                               |

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GRI Index

| GRI                                        | Disclosure                                                                                     | Reporting Page | Note                                                                                                                     |
|--------------------------------------------|------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------|
| Material Topic 4                           | Employee Development and Growth Support                                                        |                |                                                                                                                          |
| GRI 3: Material Topics 2021                | 3-3 Management of material topics                                                              | 56-57          |                                                                                                                          |
|                                            | 404-1 Average hours of training per year per employee                                          | 56-57, 123     |                                                                                                                          |
| GRI 404: Training and Education            | 404-2 Programs for upgrading employee skills and transition assistance programs                | 56-57          |                                                                                                                          |
|                                            | 404-3 Percentage of employees receiving regular performance and career development reviews     | 115, 123       |                                                                                                                          |
| Material Topic 5                           | Human Rights Management                                                                        |                |                                                                                                                          |
| GRI 3: Material Topics 2021                | 3-3 Management of material topics                                                              | 68-72          |                                                                                                                          |
| GRI 405: Diversity and Equal Opportunity   | 405-1 Diversity of governance bodies and employees                                             | 114, 122       |                                                                                                                          |
|                                            | 405-2 Ratio of basic salary and remuneration of women to men                                   | 71             |                                                                                                                          |
| GRI 406: Non-discrimination                | 406-1 Incidents of discrimination and corrective actions taken                                 | 117, 123       |                                                                                                                          |
| GRI 408: Child Labor                       | 408-1 Operations and suppliers at significant risk for incidents of child labor                | -              | No relevant cases were identified at the company, among suppliers, or in other related areas during the reporting period |
| GRI 409: Forced or Compulsory Labor        | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | -              | No relevant cases were identified at the company, among suppliers, or in other related areas during the reporting period |
| GRI 411: Rights of Indigenous Peoples      | 411-1 Incidents of violations involving rights of indigenous peoples                           | -              | No incidents of violations were reported during the reporting period                                                     |
| Material Topic 6                           | Product Quality and Responsibility                                                             |                |                                                                                                                          |
| GRI 3: Material Topics 2021                | 3-3 Management of material topics                                                              | 73-77          |                                                                                                                          |
|                                            | Innovation activities at our worksites                                                         | 75, 121        |                                                                                                                          |
| Non-GRI/Organization's own metric          | Assessing the effectiveness of customer complaint management                                   | 77             |                                                                                                                          |
|                                            | Enhancing suppliers' quality competitiveness                                                   | 76             |                                                                                                                          |
| Material Topic 7                           | Supplier ESG Management                                                                        |                |                                                                                                                          |
| GRI 3: Material Topics 2021                | 3-3 Management of material topics                                                              | 80-81          |                                                                                                                          |
| GRI 308: Supplier Environmental Assessment | 308-1 New suppliers that were screened using environmental criteria                            | 120            |                                                                                                                          |
|                                            | 308-2 Negative environmental impacts in the supply chain and actions taken                     | 120            |                                                                                                                          |
| GRI 414: Supplier Social Assessment        | 414-1 New suppliers that were screened using social criteria                                   | 120            |                                                                                                                          |
|                                            | 414-2 Negative social impacts in the supply chain and actions taken                            | 120            |                                                                                                                          |
| Material Topic 8                           | Energy Management                                                                              |                |                                                                                                                          |
| GRI 3: Material Topics 2021                | 3-3 Management of material topics                                                              | 48-49          |                                                                                                                          |
| GRI 302: Energy                            | 302-1 Energy consumption within the organization                                               | 110, 112, 113  |                                                                                                                          |
|                                            | 302-3 Energy intensity                                                                         | 110, 112, 113  |                                                                                                                          |

# GRI Index

| GRI                                | Disclosure                                                                         | Reporting Page | Note |
|------------------------------------|------------------------------------------------------------------------------------|----------------|------|
| Material Topic 9                   | Ethical Management                                                                 |                |      |
| GRI 3: Material Topics 2021        | 3-3 Management of material topics                                                  | 93-95          |      |
|                                    | 205-1 Operations assessed for risks related to corruption                          | 95, 126, 128   |      |
| GRI 205: Anti-corruption           | 205-2 Communication and training about anti-corruption policies and procedures     | 94, 126, 128   |      |
|                                    | 205-3 Confirmed incidents of corruption and actions taken                          | 126            |      |
| Material Topic 10                  | Waste Management                                                                   |                |      |
| GRI 3: Material Topics 2021        | 3-3 Management of material topics                                                  | 35-36          |      |
|                                    | 306-3 Waste generated                                                              | 106, 111       |      |
| GRI 306: Waste                     | 306-4 Waste diverted from disposal                                                 | 106, 111       |      |
|                                    | 306-5 Waste directed to disposal                                                   | 106, 111       |      |
| Topic standards                    |                                                                                    |                |      |
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| GRI 101: Biodiversity 2024         | 101-4 Identification of biodiversity impacts                                       | 52             |      |
|                                    | 101-5 Locations with biodiversity impacts                                          | 51             |      |
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|                                    | 201-1 Direct economic value generated and distributed                              | 105            |      |
| GRI 201: Economic Performance      | 201-3 Defined benefit plan obligations and other retirement plans                  | 60, 114        |      |
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| GRI 202: Market Presence           | 202-1 Ratios of standard entry level wage by gender compared to local minimum wage | 115            |      |
| GRI 203: Indirect Economic Impacts | 203-1 Infrastructure investments and services supported                            | 85             |      |
| GRI 204: Procurement Practices     | 204-1 Proportion of spending on local suppliers                                    | 119            |      |
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- GRI Index
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- Report Publication History

# GRI Index

| GRI                                                       | Disclosure                                                                                                           | Reporting Page | Note                                                                                                                                                                                |
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|                                                           | 303-3 Water withdrawal                                                                                               | 107, 111       |                                                                                                                                                                                     |
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| GRI 401: Employment                                       | 401-1 New employee hires and employee turnover                                                                       | 115, 123       |                                                                                                                                                                                     |
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| GRI 402: Labor/Management Relations                       | 402-1 Minimum notice periods regarding operational changes                                                           | -              | In accordance with Article 19 of the Collective Agreement, the labor-management promptly exchange written notifications in cases of operational changes                             |
| GRI 407: Freedom of Association and Collective Bargaining | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | -              | No relevant cases were identified at the company, among suppliers, or in other related areas during the reporting period                                                            |
| GRI 413: Local Community                                  | 413-1 Operations with local community engagement, impact assessments, and development programs                       | 85-87          |                                                                                                                                                                                     |
|                                                           | 413-2 Operations with significant actual and potential negative impacts on local communities                         | -              | No operations with significant actual or potential negative impacts on local communities were identified during the reporting period                                                |
| GRI 415: Public Policy                                    | 415-1 Political contributions                                                                                        | -              | Political contributions are prohibited under applicable laws and regulations, such as the Political Funds Act, and no contributions were made in accordance with these requirements |
| GRI 417: Marketing and Labeling                           | 417-3 Incidents of non-compliance concerning marketing communications                                                | -              | No incidents of non-compliance with regulations concerning marketing communications were reported                                                                                   |
| GRI 418: Customer privacy                                 | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data                   | -              | No cases of customer data breaches or related complaints were reported                                                                                                              |

# ISSB Index

## IFRS S2 – Climate-related Disclosures

| Category            | IFRS S2 Recommendations Index                                                                    | Reporting page |
|---------------------|--------------------------------------------------------------------------------------------------|----------------|
| Governance          | 1. The board's oversight of climate-related risks and opportunities                              | 38             |
|                     | 2. Management's role in overseeing climate-related risks and opportunities                       |                |
| Strategy            | 1. Climate-related risks and opportunities                                                       | 39, 40, 42, 43 |
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| Metrics and Targets | 1. Climate-related metrics                                                                       | 109, 110, 113  |
|                     | 2. Climate-related targets                                                                       | 44             |

# UN Global Compact

LS Cable & System joined the United Nations Global Compact (UNGC) in March 2026, reaffirming its support for the Ten Principles across four areas—human rights, labor, environment, and anti-corruption. The Company complies with all applicable principles and regulations adopted by the countries in which it operates.

| UNGC            |                                                                                                                                         | LS Cable & System's response                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Reporting page |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Human Rights    | Principle 1<br>Business should support and respect the protection of internationally proclaimed human rights;                           | • Through its Human Rights Management Policy, LS Cable & System is committed to internationally recognized human rights standards, including the UN Guiding Principles on Business and Human Rights (UNGPs), the UN Global Compact (UNGC), the Universal Declaration of Human Rights (UDHR), and the OECD Guidelines for Multinational Enterprises. The Company also upholds labor principles recommended by the International Labour Organization (ILO) and adopted in the countries where it operates. | 68             |
|                 | Principle 2<br>Make sure that they are not complicit in human rights abuses.                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 69             |
| Labour          | Principle 3<br>Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; | • LS Cable & System guarantees freedom of association and the right to collective bargaining through its Human Rights Declaration and ensures that employees are not disadvantaged due to union membership or activities. The Company respects collective bargaining requests from labor unions and faithfully implements the outcomes of such negotiations.                                                                                                                                             | 60             |
|                 | Principle 4<br>the elimination of all forms of forced and compulsory labour;                                                            | • LS Cable & System has formalized its commitment to prohibiting all forms of forced labor, including child labor, through its Human Rights Declaration and Supplier Sustainability Policy. The Company does not tolerate any form of forced or child labor.                                                                                                                                                                                                                                             | 68             |
|                 | Principle 5<br>the effective abolition of child labour; and                                                                             | • All prospective suppliers seeking to do business with LS Cable & System are required to complete an ESG checklist, which includes criteria related to the prevention of child labor and forced labor.                                                                                                                                                                                                                                                                                                  | 80, 81         |
|                 | Principle 6<br>the elimination of discrimination in respect of employment and occupation.                                               | • LS Cable & System provides mandatory training to prevent workplace harassment and discrimination and embeds non-discrimination principles in its HR policies and Rules of Employment. The Company also promotes employment opportunities for women, persons with disabilities, and local indigenous communities, while operating grievance mechanisms to address employee concerns.                                                                                                                    | 70             |
| Environment     | Principle 7<br>Businesses should support a precautionary approach to environmental challenges;                                          | • LS Cable & System has established an Environmental Management Policy and mandates environmental impact assessments for all new business projects. Through these efforts, the Company strives to minimize the environmental impacts of its operations on society.                                                                                                                                                                                                                                       | 29, 30, 31     |
|                 | Principle 8<br>undertake initiatives to promote greater environmental responsibility;                                                   | • LS Cable & System continues to implement carbon reduction initiatives, including the transition to renewable energy and improved equipment efficiency, to minimize the environmental impacts of its operations. The Company also assesses environmental impacts before major investments and enhances resource circularity and environmental management through internationally recognized Zero Waste to Landfill certification.                                                                       | 35, 45, 47     |
|                 | Principle 9<br>encourage the development and diffusion of environmentally friendly technologies.                                        | • LS Cable & System supports the development of renewable energy infrastructure through its HVDC and submarine cable technologies. The Company also contributes to the development and wider adoption of low-carbon and environmentally friendly technologies through Life Cycle Assessment (LCA), Environmental Product Declaration (EPD) certification, and Product Carbon Footprint (PCF) management.                                                                                                 | 12, 14, 46     |
| Anti-corruption | Principle 10<br>Businesses should work against corruption in all its forms, including extortion and bribery.                            | • LS Cable & System prohibits all forms of bribery and improper benefits and conducts employee training and monitoring to ensure effective implementation. The Company also strengthens preventive compliance management through its Fair-Trade Compliance Program (CP) and manuals designed to enhance compliance across its subsidiaries.                                                                                                                                                              | 90, 94         |



# ESG Policy Book

LS Cable & System has established ESG-related policies and standards—including its environmental management, human rights, and supplier sustainability policies—with the aim of aligning the company’s ESG direction and managing related risks. Our domestic and overseas subsidiaries will establish their own ESG policies in line with this shared direction, taking into account their respective business environments, and will advance ESG management accordingly.

## Environment

Environmental Management Policy
 

## Society & People

Human Rights Commitment
 

Diversity, equity, and inclusion Policy
 

Supplier Code of Conduct
 

## Governance

Code of Ethics
 

Anti-Corruption Policy
 

Tax Policy
 



# Independent Assurance Statement

To: The Stakeholders LS Cable & System Ltd.

## Overview

BSI (British Standards Institution) Group Korea (hereinafter referred to as the “Assurer”) was requested to verify the 2025/2026 LS Cable & System Sustainability + Annual Report (hereinafter referred to as the “Report”). The Assurer is independent of the LS Cable & System and has no major operational financial interest other than the assurance. This assurance opinion statement is intended to provide information related to the assurance of LS Cable & System report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any purpose other than the purpose of publication. This assurance opinion statement was prepared based on the information presented by LS Cable & System and the assurance was carried out under the assumption that presented information and data were complete and accurate. LS Cable & System 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 LS Cable & System only. The Assurer is responsible for providing LS Cable & System management with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified and providing the information to all stakeholders of LS Cable & System. The Assurer shall not bear any other responsibility, including legal responsibility, to any third party other than LS Cable & System in providing the assurance opinion and shall not be liable to any other purpose, purpose or stakeholders related thereto for which the assurance opinion may be used.

## Scope

The scope of engagement agreed upon with LS Cable & System includes the following:

- Reporting contents during the period from January 1st to December 31st 2025 included in the report, some data included May 2026.
- 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.
- In Accordance with the four principles of AA1000 AccountAbility in the report, based on the type of Sustainability Assurance based on AA1000AS v3 and if applicable, the reliability of the sustainability performance information contained in the report.

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 and business annual report.

## Assurance Level and Type

The assurance levels and types are as follows;

- Moderate level based on AA1000 AS and Type 2 (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 LS Cable & System.

### [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]

101-2, 101-4~6, 201-1~4, 202-1, 203-1, 204-1, 205-1~3, 206-1, 207-1, 207-4, 301-1, 302-1, 302-3, 303-2~5, 305-1~4, 305-7, 306-3~5, 308-1~2, 401-1~3, 402-1, 403-1~10, 404-1~3, 405-1~2, 406-1, 407-1, 408-1, 409-1, 411-1, 413-1~2, 414-1~2, 415-1, 417-3, 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;

- A top-level review of issues raised by external parties that could be relevant to organizations policies to provide a check on the appropriateness of statements made in the report.
- Discussion with managers and staff on organization’s approach to stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the departments responsible.
- Review of the system for sustainability management strategy process and implementation
- Review of materiality issue analysis process and prioritization by reviewing materiality issue analysis process and verifying the results
- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures where available
- An assessment of the company’s reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the LS Cable & System HQ 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 the reporting organization. It implies that no significant errors were found during the verification process, and that there are limitations related to the inevitable risks that may exist. The Assurer does not provide assurance for possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

## Competency and Independence

BSI (British Standards Institution) 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 almost 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with LS Cable & System. 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.

# Independent Assurance Statement

## Opinion Statement

The assurer was carried out by a team of sustainability report assurors in accordance with the AA1000 Assurance Standard v3. Assurer planned and performed this part of our work to obtain the necessary information and explanations assurer considered to provide sufficient evidence that LS Cable & System’s description of their approach to AA1000 Assurance Standard and their self-declaration of compliance with the GRI standards were fairly stated.

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 environmental 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). The detailed reviews against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards are set out below.

### Inclusivity Stakeholder Engagement and Opinion

LS Cable & System defined employees, customers, government/related organizations, shareholders/investors, local communities, suppliers and media as Key Stakeholder Groups. To collect opinions by each stakeholder group in the context of sustainability, the stakeholder engagement process operated. LS Cable & System conducted a review of the stakeholder engagement process to reflect on the major issues derived through the process in sustainability strategy and goals. LS Cable & System disclosed the results related to the process in the Report.

### Materiality Identification and reporting of material sustainability topics

LS Cable & System implemented its own materiality assessment process in consideration of the major business and operational characteristics to derive important reporting issues related to sustainability. In the materiality assessment, LS Cable & System conducted the analysis of global sustainability disclosure and evaluation standards and conducted the analysis of impact (environmental/social and financial) to derive impact and financial materiality. LS Cable & System derived 10 material issues through the process, and disclosed GRI topic standards disclosures related to material issues in the Report.

### Responsiveness Responding to material sustainability topics and related impacts

LS Cable & System operated a management process for material issues in the context of sustainability derived from the materiality assessment. LS Cable & System established mid- to long-term sustainability plans and goals according to the management methodology established to effectively reflect the expectations of key stakeholders. LS Cable & System disclosed the process including policy, indicator, activity and response performance on material issues in the Report.

### Impact Impact of an organization’s activities and material sustainability topics on the organization and stakeholders

LS Cable & System identified the scope and extent of the impacts to the organization and key stakeholders in the context of the sustainability of the material issues reported. LS Cable & System established sustainability strategies and objectives based on the analysis results of major impacts, including risks and opportunities for material issues at the governance level, disclosed mid- to long-term plans and strategic system in the Report.

## Findings and conclusions concerning the reliability and quality of specified performance information

Among the GRI Topic Standards, the following disclosure related Economic, Social and Enviromental were carried out in a assurance Type 2 based on the information and data provided by the reporting organization. In order to verify the reliability and accuracy of the data and information, internal control procedures related to data processing, processing, and management were verified through interviews with the responsible department, and accuracy was verified through sampling. Errors and intentional distortions in sustainability performance information included in the report were not found through assurance processes. The reporting organization manages the sustainability performance information through reliable internal control procedures and can track the process of deriving the source of the performance. Errors and unclear expressions found during the assurance process were corrected during the assurance process and prior to the publication of the report, and the assurer confirmed the final published report with the errors and expressions corrected.

- GRI Topic standards: 201-2, 202-1, 203-1, 205-1~3, 206-1, 301-1, 302-1, 302-3, 303-3~5, 305-1~4, 305-7, 306-3~5, 308-1~2, 401-1~3, 403-1~10, 404-1~3, 405-1~2, 414-1~2

## Recommendations and Opportunity for improvement

The assurer will provide the following comments to the extent that they do not affect the result of assurance;

- LS Cable & System has established a sustainability performance indicator management system, including companies subject to domestic/foreign consolidation standards. It may be effective to upgrade the management system, taking into account the business characteristics, location country, and applicable regulatory requirements of each subsidiary within the reporting scope.

## GRI-Reporting

LS Cable & System provided us with their self-declaration of compliance within GRI Standards. Based on our review, we confirm that social responsibility and sustainable development indicators with reference to the GRI Index. The Assurer confirmed that the Report was prepared in accordance with the GRI Standards and the disclosures related to the Universal Standards and Topic Standards Indicators based on the data provided by LS Cable & System. The sector standard was not applied.

Issue Date: 12/06/2026

For and on behalf of BSI (British Standards Institution):

BSI representative

Jungwoo Lee,  
Lead Assurer, LCSAP

Sustainability Framework  
and KPIs related to  
Governance and Economy

Yeonwoo Jo,  
Assurer

Sustainability KPIs  
related to Environmental  
and Social/People

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# Report Publication History

## 2025-2026 LS Cable & System Sustainability Report + Annual Report

- **Date of Publication** July 15, 2026 (Korean Version June 17, 2026)
- **Publisher** Bon-Kyu Koo
- **Company** LS Cable & System Ltd.



# Report Contributors

## Contributors

- **Executive Producer** ByungYoon Kang, Kyung Hwan Chung, Woo Jin Choi, Hee Jung Kim
- **Production Team**

| LS Cable & System                                    |                                                                        |                       |                                     |
|------------------------------------------------------|------------------------------------------------------------------------|-----------------------|-------------------------------------|
| Environment                                          | Society & People                                                       | Governance            | Economy                             |
| ESG Management Team                                  | Global HSE Planning & Support Team                                     | Legal/Compliance Team | Business Management & Planning Team |
| HSE Team<br>(Gumi, Indong, Donghae)                  | HSE Team<br>(Gumi, Indong, Donghae)                                    | Internal Audit Team   | Global Business & Management Team   |
| Facility Management Office<br>(Gumi/Indong, Donghae) | HR & Labor Relations & General Affairs Team<br>(Gumi, Indong, Donghae) | DT Support Team       | Accounting Team                     |
|                                                      |                                                                        | R&D Planning Team     |                                     |
|                                                      |                                                                        | IP Team               |                                     |
|                                                      | Human Resource Planning Team                                           |                       |                                     |
|                                                      | Compensation & Benefits Team                                           |                       |                                     |
|                                                      | Human Resource Development Team                                        |                       |                                     |
|                                                      | People & Culture Team                                                  |                       |                                     |
|                                                      | Labor Relations Team                                                   |                       |                                     |
|                                                      | Purchasing Planning Team                                               |                       |                                     |
|                                                      | Quality Management Team                                                |                       |                                     |
|                                                      | Business Support Team                                                  |                       |                                     |

| Domestic and Overseas Subsidiaries |                           |                          |              |
|------------------------------------|---------------------------|--------------------------|--------------|
| Gaon Cable                         | LS Eco Energy             | LS Marine Solution       | LS Materials |
| Mobo                               | LS-VINA Cable & System    | LS Buildwin              | LS Alsco     |
| DKC                                | LS Cable & System Vietnam |                          |              |
| G&P                                |                           |                          |              |
| EG Cable                           |                           |                          |              |
| G&P Wood                           | LS EV Korea               | LS Cable & System Poland |              |
| LS Cable & System U.S.A.           | LS Cable & System Wuxi    | LS Hongqi Cable & System |              |
|                                    | LS EV Poland              | LS Cable India           |              |

