

Biodiversity Protection and Deforestation Prevention Policy

○ Purpose

The purpose of this policy is to establish the principles and processes through which LG Display builds a biodiversity protection framework across its business activities and pursues No Net Loss (NNL) of biodiversity and Net Positive Impact (NPI) outcomes. In addition, through the establishment of principles and processes for deforestation prevention, we strive to achieve Zero Gross Deforestation and Zero Net Deforestation. We respect and comply with international agreements and conventions related to biodiversity protection and deforestation prevention.

○ Scope of Application

This policy applies to all domestic and overseas operations and employees of LG Display and covers all business activities, including product manufacturing, facility operations, and pollutant emissions. In addition, we encourage suppliers, business partners, and other stakeholders to comply with this policy. We clearly communicate our requirements for preventing habitat destruction, deforestation, and biodiversity loss throughout the supply chain and encourage their implementation.

○ Principles

1. LG Display assesses environmental impacts across the value chain prior to the establishment or expansion of new operations. Using location-based analysis tools, we identify whether the area overlaps with locations of high conservation value, including KBAs and HCVPs and prioritize conservation by following the principle of avoiding development in such areas. Where development is unavoidable, we seek measures to minimize biodiversity loss and establish conservation plans accordingly. In addition, we clearly communicate requirements for preventing habitat destruction, deforestation, and ecosystem degradation throughout the supply chain and encourage their implementation.
2. LG Display identifies biodiversity-related impacts throughout all stages of its business activities and seeks to minimize adverse impacts in order to achieve No Net Loss (NNL) of biodiversity. We assess biodiversity-related risks and impacts across the value chain and implement measures to avoid, reduce, and mitigate negative impacts on biodiversity.
3. LG Display seeks to prevent and reduce deforestation and permanent forest conversion and strives to achieve Zero Gross Deforestation (ZGD) and Zero Net Deforestation (ZND).
4. LG Display conducts risk assessments of biodiversity and the environment in areas surrounding its operations based on the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). We assess biodiversity conditions as well as nature-related risks and opportunities. In addition, we disclose key assessment results to stakeholders and establish measures to protect endangered species identified during the assessment process in accordance with the IUCN Red List.
5. LG Display identifies nature-related risks based on the Science Based Targets Network (SBTN) guidance and establishes response strategies in accordance with the mitigation hierarchy by seeking to: ① avoid activities that may result in adverse impacts, ② reduce impacts where avoidance is not possible, ③ restore affected ecosystems, and ④ offset residual impacts. In particular, offsets are applied only as a last resort after avoidance, reduction, and restoration measures have been implemented, taking into consideration additionality, permanence, and verifiability.
6. LG Display actively engages with stakeholders, including suppliers, business partners, and local communities, to support biodiversity conservation and forest protection. We also promote and participate in relevant restoration initiatives and activities.
7. LG Display manages and oversees biodiversity and deforestation related risks through executive oversight.

○ Implementation

1. Biodiversity Risk Assessment

LG Display assesses biodiversity impacts arising from its business activities in areas surrounding its domestic and overseas operations. Based on the assessment results, we establish and implement strategies that apply a stepwise mitigation approach to minimize impacts on biodiversity, ecosystems, and the environment.

(1) Identification of Risks and Opportunities

LG Display assesses the impacts of its business activities on biodiversity and the environment based on the LEAP (Locate, Evaluate, Assess, Prepare) approach in accordance with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). Using TNFD-recommended tools and datasets, including ENCORE, the WWF Biodiversity Risk Filter, IBAT, and the IUCN Red List, we identify species and endangered species in areas surrounding our operations and quantitatively assess our impacts and dependencies on biodiversity. Based on the assessment results, we identify nature related risks and opportunities and establish and implement specific targets and management indicators for each risk category, including climate, air pollution, water resources, and waste. In addition, we designate high-risk sites as priority sites for enhanced management and implement differentiated management and improvement activities.

(2) Establishment and Implementation of Mitigation Hierarchy Strategies

Based on the results of biodiversity risk assessments, LG Display establishes and implements response strategies in accordance with the Science Based Targets Network (SBTN) guidance. We apply the mitigation hierarchy to address biodiversity-related risks by seeking to avoid, reduce, restore, and offset impacts in a stepwise manner.

2. Biodiversity Education

LG Display provides regular training to all employees on the importance of biodiversity conservation and LG Display's biodiversity policy and commitments. In particular, based on the results of biodiversity risk assessments, we provide advanced training to employees in high-risk roles whose activities have significant impacts on, or dependencies on, biodiversity.

3. Stakeholder Communication

LG Display promotes collaboration and actively engages with stakeholders that have direct or indirect impacts on biodiversity. We seek ways to achieve sustainable coexistence with local communities by actively promoting biodiversity and ecosystem restoration activities in areas surrounding our operations in collaboration with local residents. We also disclose related activities through our ESG Report and corporate website.

4. Governance

LG Display regularly reports biodiversity-related risks to executive management and communicates progress to support the establishment and implementation of appropriate strategies. We also regularly review the progress of ESG initiatives, including biodiversity protection and other safety and environmental matters, and monitor their performance.

This policy has been established with the approval of Executive Management and is reported to the Board of Directors or the ESG Committee, as necessary.