

YOU DREAM, WE DISPLAY

2018-2019
LG Display Sustainability Report



About this report

The 2018 - 2019 LG Display Sustainability Report is our eighth publication dedicated to the activities and progress we have made towards our vision of becoming the 'Global No. 1 Sustainable Display Company.' In this report, we highlight sustainability topics and insights in terms of the economy, society, and environment. We promise to maintain close communication with our stakeholders through the continued publication of our sustainability report.

Scope & Period

This report covers our business operations and sustainability activities in our domestic business sites (HQ in Seoul, Gumi, Paju) and overseas sites in China (CA, Guangzhou, Nanjing, Yantai) and in Vietnam (Haiphong) from January 1 to December 31, 2018. Quantitative data from the past 3 years is included in the report to offer insights into the performance, while a partial report on qualitative performance in the first half of 2019 is also provided.

Principles & Assurance

The report is prepared in accordance with the four reporting principles (Sustainability Context, Materiality, Stakeholder Inclusiveness, Completeness) and the Core option of the Global Reporting Initiative (GRI) Standards. Also, the report partially applies the International Integrated Reporting Council (IIRC) framework. We also had this report externally audited by a third party to validate the accuracy and reliability of its content. The results of this audit can be found in the Third-Party Assurance section (p. 85-86).

For More Information

This report is available to view and download in Korean, English, and Chinese at the LG Display website (www.lgdisplay.com). For more information about this report, please contact us using the contact information provided below.

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**"LG Display will continue to grow,
by listening to the voices of its stakeholders."**

CEO Message

Valued stakeholders, I sincerely appreciate the support and encouragement you have shown to LG Display.

This Sustainability Report, is published to create an opportunity to closely communicate with stakeholders, based on the achievement of sustainable management from the first half of 2018 to that of 2019. LG Display has strengthened its commitment to shared growth and strengthening cooperative relationship with the partners, and improved its supply chain management system.

Through open communication and active collaboration with our employees, LG Display have established sound labor-management relations and contributed to the continuous development of the company. The group is also conducting systematic strategies and activities to procure and cultivate talented personnel, based on the belief that the corporate competitiveness comes from the competitiveness of employees. In addition, the group obtained environmental and energy management system certifications for our domestic and overseas business sites, and participated actively in eco-friendly energy management certifications such as the CDP Carbon Disclosure Project and Factory Energy Management System (FEMS) certification.

In order to take a new leap forward, LG Display is shifting its business portfolio focusing on growth business such as OLED, commercial, and automobile, and is planning to push for improvement in LCD Fav structure and in operational efficiency in line with changes in business structure.

First, in terms of a large-size OLED, LG Display is planning to 'make OLED a trend' within the market by improving its fundamental performance, innovating cost/production and strengthening customer structure; successful mass production of the new OLED plant in Guangzhou, China will increase the supply. When it comes to Plastic OLED (P-OLED), stabilization of quality/development/production through select and concentrate strategy will visualize the business performance, thereby gaining leadership in differentiating technologies. In the field of commercial and automobile, which is the growing business, LG display will lead the market based on differentiated products; the group will introduce future products, which utilize the strengths of OLED such as foldable/transparent in accordance with the ear of 5G, while thoroughly preparing for new display technologies and markets.

LG Display will further strengths the basic working manner and organizational culture to be a permanent first-class company. The group will persist in 'Quality No.1 Delivery No.1' with speed management which timely responds to customers' requirement, such as risk management or quality by obtaining prior technologies before developing products. In particular, for realizing proper communication through win-win cooperation, conventional and inefficient processes and tasks will be found and eliminated without any hesitation. The support will be expanded to relevant policies and cultures take root in domestic and oversee business sites, for creating stable performance in terms of safety, security, and quality management

Last but not least, LG Display will think about its role within the community and strive to make achievements.

We would like to ask your unwavering support and guidance.

CEO, June 2019 한상범

You Dream, We Display

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Company Profile

Developing its first TFT-LCD panels in 1987, LG Display is a leading global manufacturer of display panels including OLED and IPS thanks to our patented technologies. Our production lines and module production facilities are located in South Korea (Gyeongsangbuk-do Gumi, Gyeonggi-do Paju), China (Guangzhou, Nanjing, Yantai), Poland (Wroclaw), and Vietnam (Haiphong). In addition, we have established sales subsidiaries and 10 branch offices in eight regions around the world to build and operate a global network that can support efficient and aggressive market penetration and customer management.

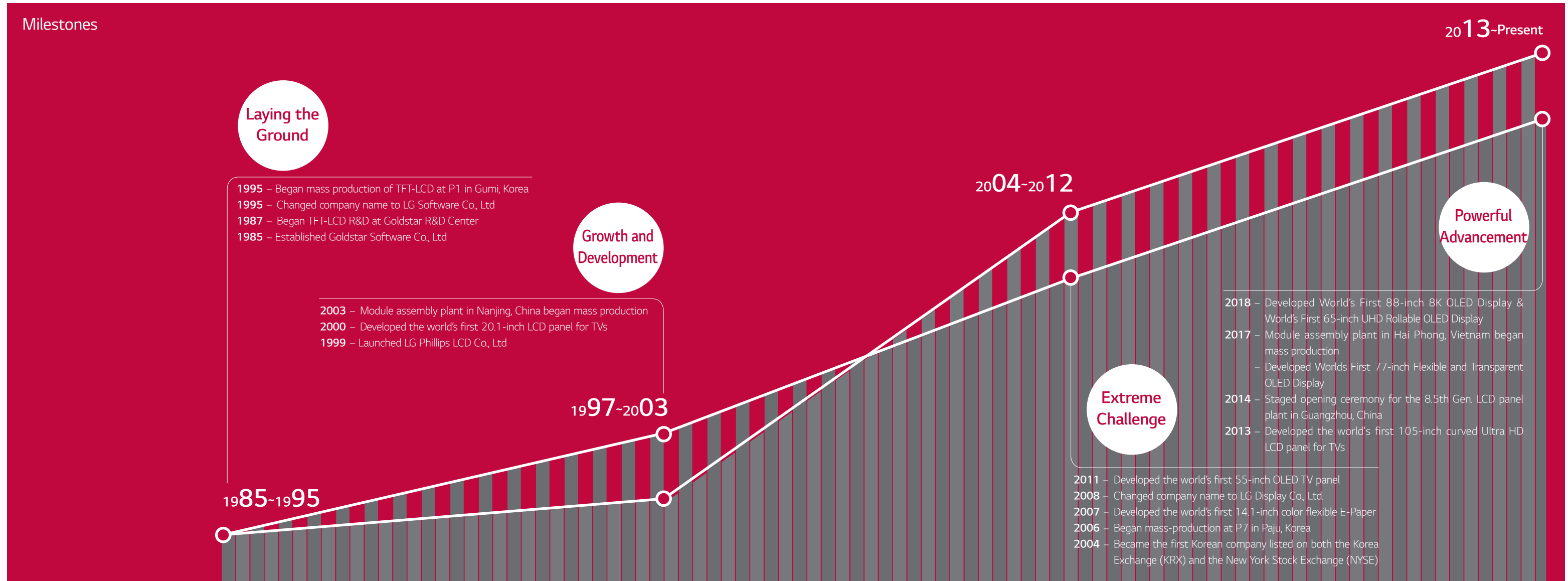
The group is creating a market with various and outstanding products including TV, mobile, IC device electronic components, commercial display, and OLED. In addition, it is leading the world display market with advanced technologies, stable production capability and insight into the market.

Vision

You Dream, We Display Always at your side,
LG Display is here to turn the world you dream of into reality

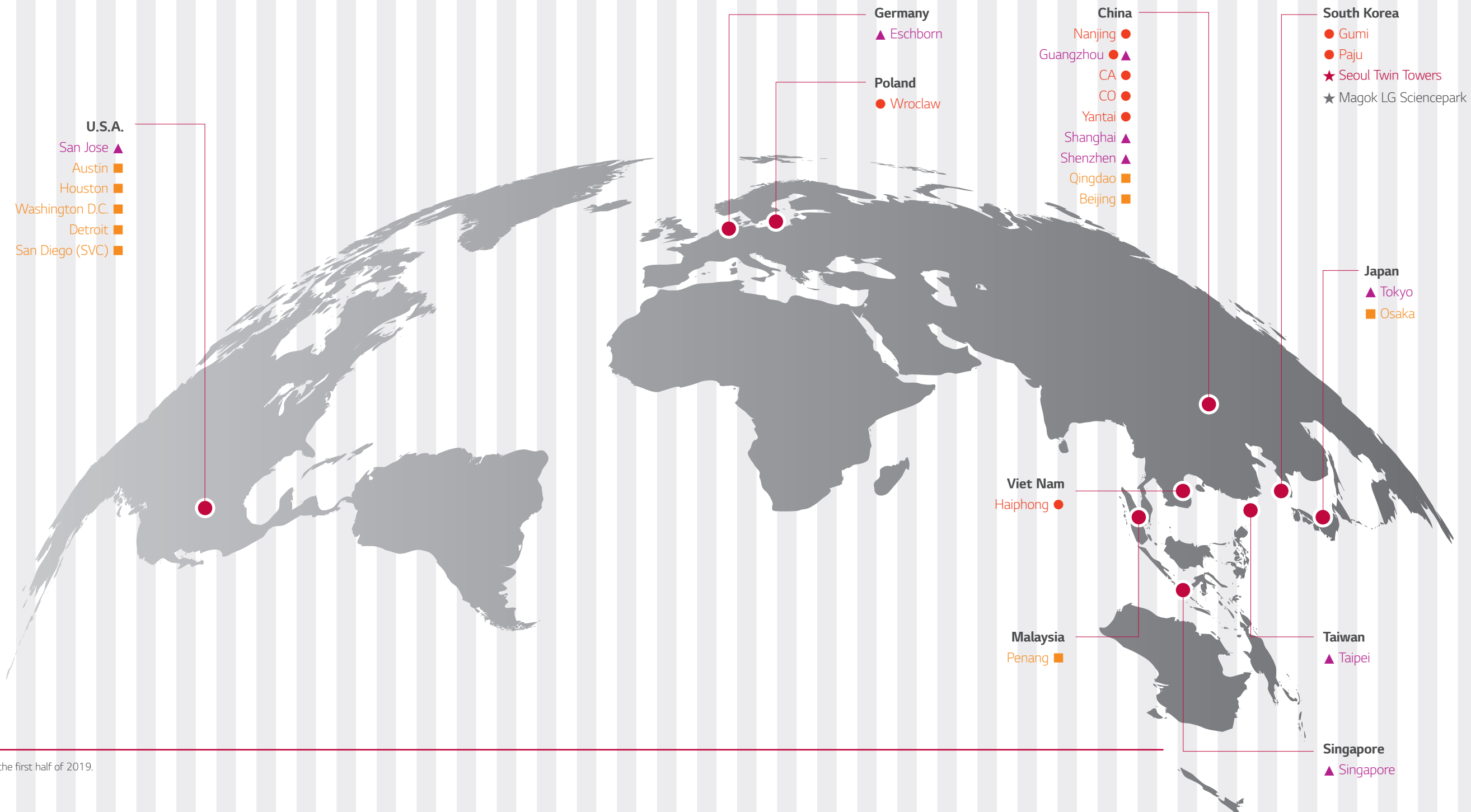
Vision You Dream, We Display
Goal Global No.1 Display Company
Core Values

- Speed
- Challenge
- Communication
- Collaboration



Global Network

Headquartered in South Korea, LG Display operates eight manufacturing bases around the world, including production facilities in China and Poland and a module plant in Guangzhou, China. Our global network covers 26 regions, including 8 regional sales companies and 10 sales offices. We use our global network to respond to rapidly-changing market demands and customer requirements.

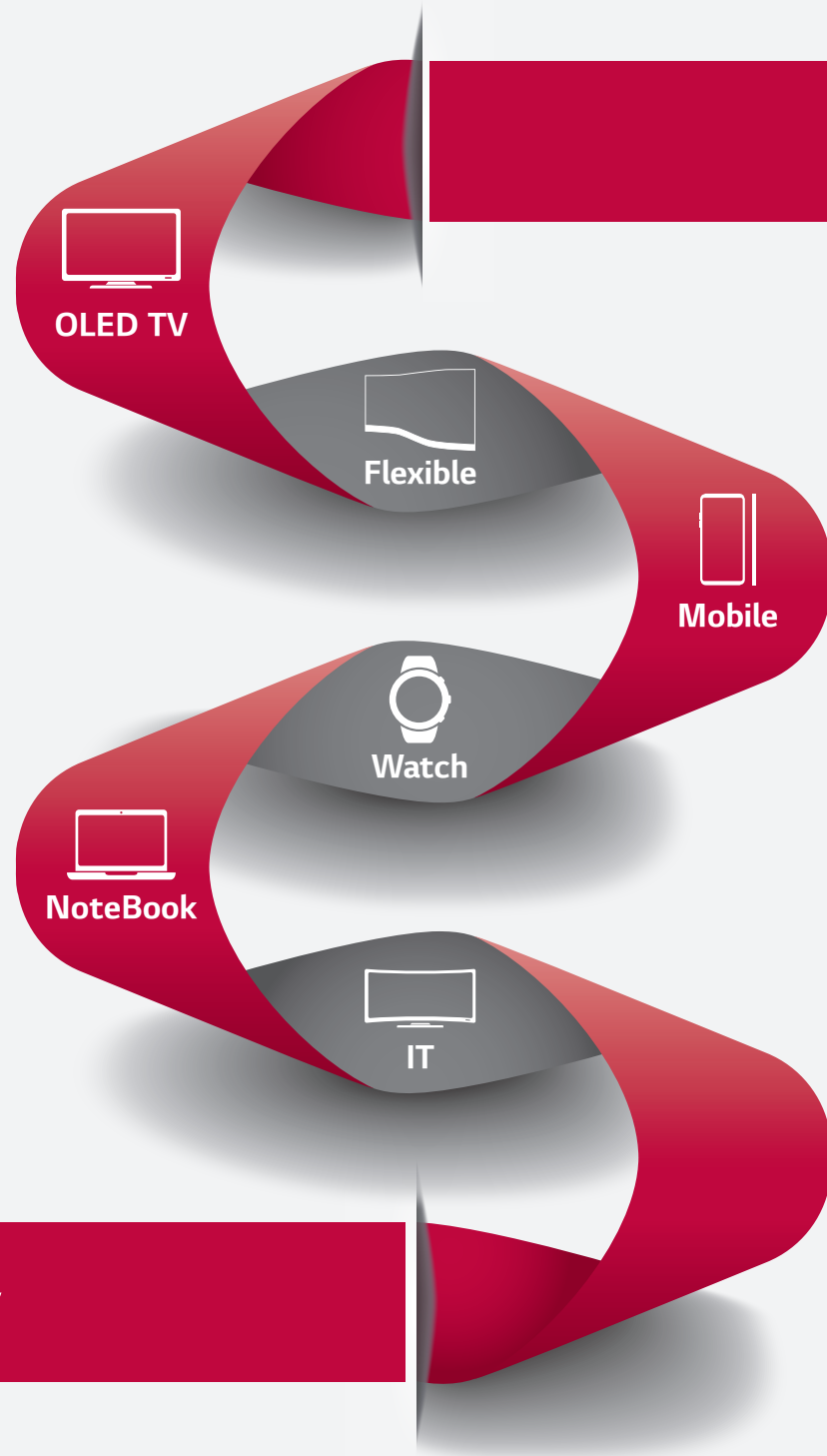


- Production Corporation : 9 places
- ▲ Sales Corporation : 8 places
- Branches : 9 places
- ★ Laboratory : 1 place
- ★ Headquarter

* The corporation in Poland is in the process of liquidation from the first half of 2019.

Business Model

LG Display is leading the market with innovative technologies and a range of products.



LG Display

	Economic Value	Social Value	Environmental Value
Input			
R&D Investment	KRW 2,064.1 billion	Labor Cost KRW 3,222.2 billion	Amount of Energy Consumed by domestic and overseas workplaces 64,296 TJ
Ratio of R&D investment to Sales	8.5%	Welfare Benefit Cost KRW 90.3 billion	Amount of Water Usage 62,690,000 ton
Government R&D Project Cost	KRW 19.8 billion	Financial Support for Suppliers KRW 178.7 billion	
Average Plant Operation Rate	100%	CSR Investment KRW 9.97 billion	
Output			
Sales	KRW 24,336.5 billion	Number of Employee Grievances Resolved 69	Amount of Greenhouse Gas Reduction 1,279,626 tCO ₂ eq
Gross Profit on Sales	KRW 3,085.3 billion	Suppliers Signed 2018 Shared Growth Agreement Participated in by 59 first-and-second-tier partner companies	Water Recycling Rate 165%
Operating Profit	KRW 929 billion	Number of Employees who participated in social contribution 47,001 (Volunteering + Donation: accumulative)	Waste Recycling Rate Domestic 97.2% Overseas 69.9%
		Number of Social Contribution Programs Volunteer Programs: 1,521 Donation Programs: 63	

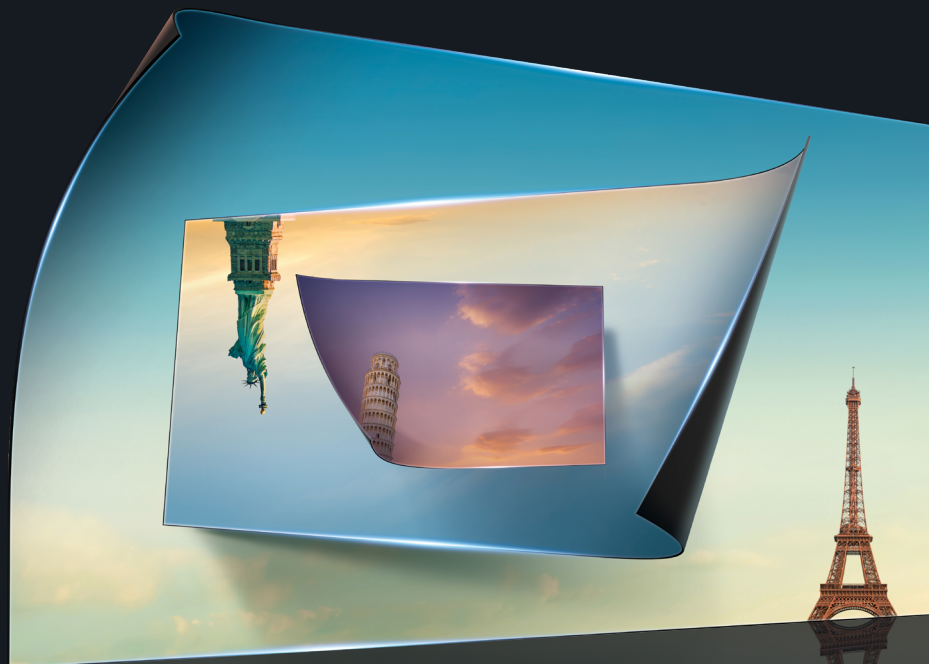
Your Life Partner, LGD

TV Display

OLED TV

The Future TV is Here. It's OLED.

A self-emissive display in which every pixel exuberantly emits light, taking the TV industry to a whole new level, OLED TV Display by LG Display presents the best picture quality and a futuristic design.



LCD TV

A revolution in LCD TVs, with unique technology!

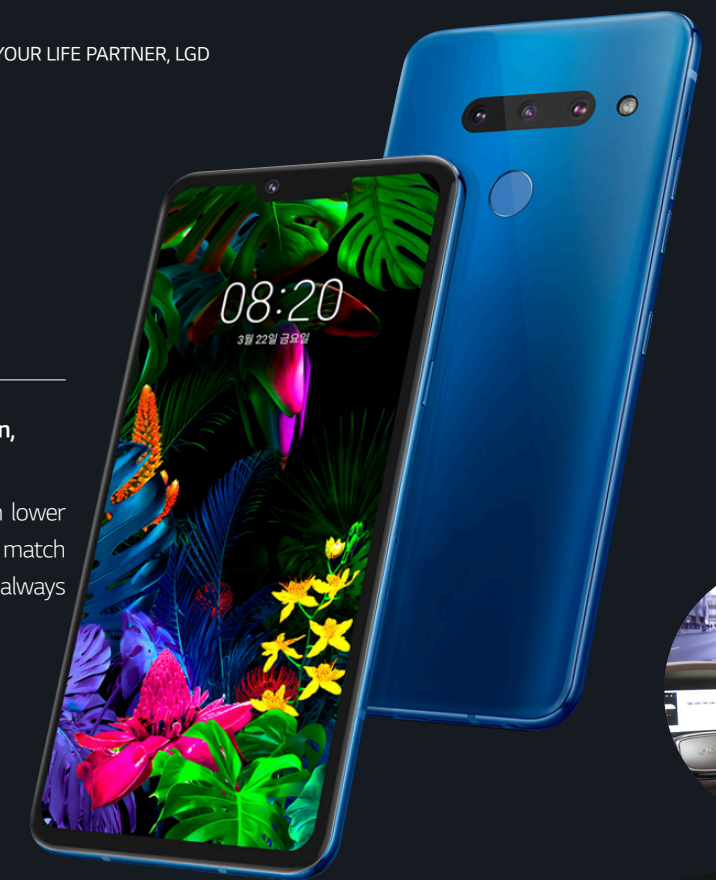
LG Display develops and manufactures products for LCD TVs that offer more innovative designs and advanced picture quality.

Mobile Display

Full Screen Display
Clear Picture Quality

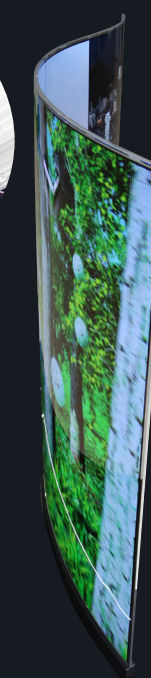
Breaking the limits when it comes to resolution, energy efficiency, and design!

We have developed a larger, clearer screen with lower power consumption and an innovative design to match the characteristics of mobile products that are always at hand.



Commercial Display

Video wall
Interactive whiteboard
Variant display
Outdoor display
OLED display
Signage



Narrow, Even, Slim

Our commercial display features the world's narrowest bezel, minimizing image cut-off or distortion with an elegant style. Optimally designed for any environment with flexible size options and a diversity of designs, it is the perfect choice for airports, restaurants, and control centers where mega sized displays are needed.



Auto Display

OLED Auto Display
LCD Auto Display

Providing the best displays for Smart Cars

LG Display offers differentiated value with innovative technologies, at a time when the smart car sector is expanding due to the convergence of the car and IT industries.

IT Display

Monitor display
Notebook display
Tablet display

Amazing Ratio! Clear Display

LG Display offers a variety of monitors, 2 in 1 / notebooks for maximum user convenience.





OLED Light

- Structure of OLED lighting
- Human-friendly light
- Infinite design possibilities

Leading the market as a pioneer in next-generation light source manufacturing technology.

Our lightweight and thin panels offer unlimited applicability, and flexible lighting panels also open up new design possibilities. OLED is a human-friendly light source that does not generate heat, it has no glare and relieves fatigue.



Industrial Display

As each industry becomes more sophisticated, new services are emerging one after another. It is anticipated that the future of industrial display market is bright due to the demand for customized products.



IPS

LG Display's IPS technology, based on the horizontal alignment of liquid crystal molecules, boasts a superior viewing angle and fast response rate. The IPS panels are aligned in a horizontal direction, resulting in superior picture quality and wider viewing angles as well as excellent transmittance for high resolution and energy efficiency. IPS enables viewers to enjoy stable picture quality with no afterimages or flashing when the screen is touched. IPS provides the optimal solution for all types of applications, from TVs to IT and mobile products.

World Best Product & Technology



Transparent display

LG Display's transparent display technology features natural colors and a high level of transparency for improved visibility. It captures the eye through its appearance, and boasts an unmatched promotional effect as well as greater space utilization.



Flexible display

LG Display has developed the world's first 77-inch UHD transparent flexible display. Bendable, foldable, and rollable, it offers unique value in the market. As it is 60% lighter than glass, it has unparalleled portability and superior durability against impact.



M+

M+ is LG Display's innovative technology that enhances light transmittance with white pixels, and uses a unique algorithm to achieve brighter, better picture quality and lower power consumption. It can be applied to a wide range of products including TVs, monitors, laptops, and smartphones.



in-TOUCH

With its built-in touch sensor in the LCD Cell, in-TOUCH is LG Display's proprietary technology that provides not only superior touch sensitivity, but also outstanding design and visibility. The touch pattern is not visible, and the high transmittance and low reflectivity – compared with other technology that uses external sensors – provide very good picture quality. The built-in touch sensor also enables a lighter, slimmer product design.

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CSR Management

Sustainability Strategy

We engage in CSR activities with the aim of achieving our goal of becoming the 'Global No. 1 Sustainable Display Company'. By steadily pursuing sustainable management, we are establishing sustainable shared growth and development for multi-supply chains as our mid-term and long-term development goals.

Goal

Global No.1 Sustainable Display Company

Strategy



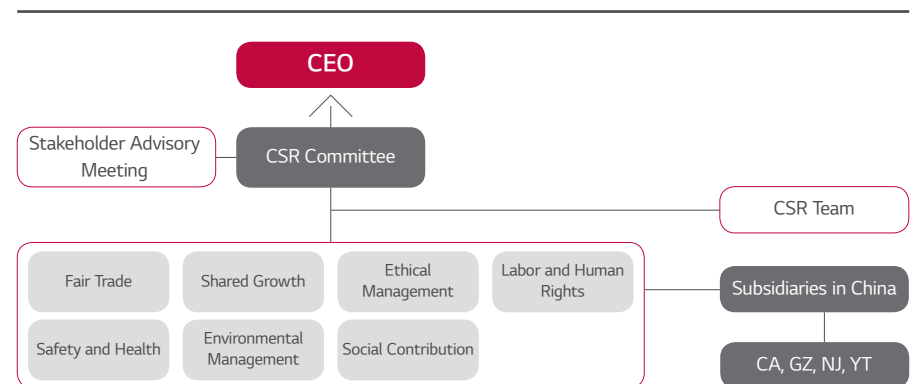
Core Strategic Tasks



CSR Committee

The CSR Committee is chaired by the Head of the Management Support Group, which consists of 7 sub-committees including Fair Trade, Shared Growth, Ethical Management, Labor and Human Rights, Safety and Health, Environmental Management, and Social Contribution for systematic sustainable management. By doing so, LG Display establishes strategies and directions upon sustainable management.

CSR Committee



Sustainability Management Policy

In order to fulfill its responsibility as a global corporation, LG Displays aims to gain stakeholders confidence in its all domestic and international management activities, and to pursue sustainable growth with society.

- Strives to create not only economic, but also social and environmental value while communicating with stakeholders.
- Respect the value and dignity of the company and its partners' employees.
- Abide by the business ethics such as regulations, international standards, internal regulation with honesty and justice.
- Endeavors to steadily improve managements on safety, health, energy, and environment in terms of corporate management.
- Fulfills social responsibility for sustainable development of business partners and communities.

Under the business philosophy of "Creating Value for Customers" and "Management with Humanity", LG Display has established and implemented policies in number of fields, including labor, ethics, environment, safety/health, in order to carry out sustainable management, which has become a global standard, in more systematic manner.

SDGs commitments and progress

Direction of Sustainable Development Goals

At the 70th United Nation Development Summit in September 2015, we participated in the implementation of the 17 UN Governing Sustainable Development Goals (UN SDGs) agreed upon unanimously by all UN member nations around the world. Based on a consensus of 169 targets, LG Display proposed forward-looking performance targets and achievements that meet the needs of future generations and those of today, coupled with social and economic development as well as environmental protection.

Stakeholder Effect

Category	Three (3) Major Principles	Issues
Shareholders & Investors	Pursuing shared prosperity	- Contribution to Economic Development through Corporate Growth and Development
	Development of Humanity Clean Earth Environment	
	Clean Earth Environment	
Local Community	Pursuing shared prosperity	- Implementing CSR - Economic and Social Support for the underprivileged
	Development for humanity and society	
	Clean Earth Environment	
Customers	Pursuing shared prosperity	- Sustainable Consumption
	Development of Humanity and Society	
	Clean Earth Environment	
Suppliers	Pursuing shared prosperity	- Manufacturing recyclable products - Mutual Growth with suppliers - Supporting suppliers
	Development of Humanity and Society	
	Clean Earth Environment	
Employees	Pursuing shared prosperity	- Balance of Work & Life - Strengthening health & safety management - Growth of human rights
	Development of Humanity and Society	
	Clean Earth Environment	

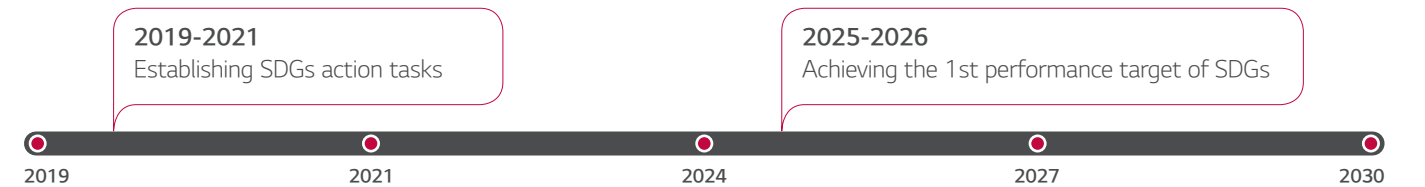
SDGs commitments and progress

Sustainable Implementation Goals and Performance

LG Display proposed specific implementation goals and timelines for 17 projects to ensure transparency and the implementation of sustainability management goals. The CSR Committee will conduct a semi-annual review of performance as a way of monitoring annual targets in a transparent manner, and will share the status in detail.

Sustainable Development Goals (UN SDGs)	Introduction of Initiative	Planning	Key Target Goals	Implementation Status
1 NO POVERTY	No Poverty We seek to end poverty worldwide by eradicating extreme poverty and establishing a social security system for all.	2025	Establishing a poverty reduction activity plan in each of our global manufacturing bases and increasing funding (compared to 2020)	●
2 ZERO HUNGER	Ending Starvation Ending starvation by providing adequate nutrition to vulnerable groups such as the poor and infants, and achieving food security through the use of sustainable food production systems	2025	Maintaining a nutritional deficiency of ZERO for employees and partner families in each global manufacturing base	●
3 GOOD HEALTH AND WELL-BEING	Health and Well-being Manage diseases at the level of prevention, supply essential health services and build a universal health care system	2025	10% reduction in deaths and injuries from logistics and distribution between global production bases	●
4 QUALITY EDUCATION	Quality Education Provide universal education for all, and help people get the education they need	2025	Support training for female workers in global production bases, and provide equal training time to men and women	●
5 GENDER EQUALITY	Gender Equality Eliminate discrimination against women and ensure equal participation in all fields	2025	Increase the ratio of female managers	●
6 CLEAN WATER AND SANITATION	Access to Drinking Water and Sanitation Facilities Ensure safe drinking water and sanitation facilities, reduce water pollution and keep water resources managed	2025	Increase the use rate of recycled water	●
7 AFFORDABLE AND CLEAN ENERGY	Guarantee of Energy Access Reliable and modern sustainable energy at an affordable price	2025	Improve the energy efficiency of global production bases	●
8 DECENT WORK AND ECONOMIC GROWTH	Economic Growth and Quality Jobs Provide quality jobs, support small business start-ups and protect labor rights	2025	Increase the investment in creating jobs	●

Action Plan in Stages



Sustainable Development Goals (UN SDGs)	Introduction of Initiative	Planning	Key Target Goals	Implementation Status
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Establishing Social Infrastructures and Promoting Industrialization Encourage inclusive and sustainable industrialization by building safe infrastructures and applying environmentally friendly research technologies	2025	Increasing support for display industry cluster R&D	●
10 REDUCED INEQUALITY	Mitigating Inequality Ensure equality of opportunity, and mitigate inequality of results	2025	Eliminate discriminatory provisions such as restriction of business participation opportunities & verification by stakeholder	●
11 SUSTAINABLE CITIES AND COMMUNITIES	Building Sustainable City Protect cities and residences to ensure they are inclusive, safe, resilient and sustainable	2025	Expand the rate of using commuting vehicles for employees at global production facilities	●
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Sustainable Consumption and Production Make it possible to continue sustainable production and consumption, and make an effort to reduce waste	2025	Increase the rate of waste recovery for our products	●
13 CLIMATE ACTION	Response to Climate Change Strengthen the capability to recover and restore following damage due to climate change and natural disasters	2025	Reduce CO ₂ emissions during the production of key products	●
14 LIFE BELOW WATER	Protection of Marine Resources Preserve marine resources of the seas and oceans, and encourage sustainable fisheries	2025	Decrease the scale of marine logistics	●
15 LIFE ON LAND	Protection of Land Ecosystem Protect all terrestrial ecosystems such as forests, wetlands and mountainous areas, preserve biodiversity, and prevent desertification	2025	Maintain and care for protected species that have habitats within global production bases	●
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Promoting a peaceful and inclusive society Promote a peaceful and inclusive society and completely transparent governance, that ensures everyone is treated with fairness and justice	2025	Implement human rights policies and declarations to global supply chain operators	●
17 PARTNERSHIPS FOR THE GOALS	Strengthening Global Partnership Emphasize collaboration with various partners, including cooperation with developed and developing countries, equal trade and civil society	2025	Support long-term debt repayment by global supply chain operators	●

Worldwide Report

LG Display Vietnam

Year Established 2016
Major Products TV/ IT/ Mobile



Overseas Subsidiaries (China, Vietnam)

LG Display Yantai

Year Established 2010
Major Products Mobile

LG Display Nanjing

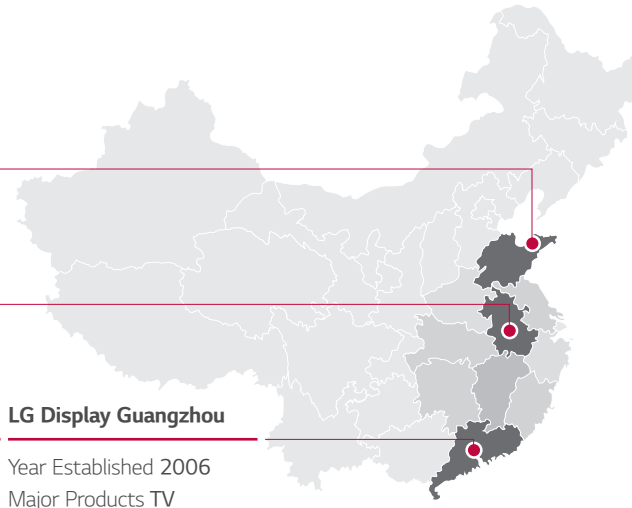
Year Established 2002
Major Products IT/Auto

LG Display CA

Year Established 2012
Major Products TV

LG Display Guangzhou

Year Established 2006
Major Products TV



Sales in China

[Unit: KRW 100 million]



View of LG Display Vietnam

Sharing Activities in Local Communities

LG Display China builds a consensus and maintains a close relationship with the local communities in which it operates through activities that aim to repay the support we have received in the course of carrying out our business. For example, we contributed to bridging the digital divide experienced by children living in underprivileged regions by building IT plants in Guangzhou and Nanjing. Notable social contribution activities of our Nanjing Office include donations of Braille books to special education schools in Lianyungang, and of daily necessities to underprivileged students. Our Guangzhou Office also pursues a range of social contribution activities on a monthly basis such as blood donations and clothing giveaways, spreading the joy of sharing and instilling a sense of social responsibility among its employees.

Corporation	Program	Details
China	Singles' Party (Guangzhou/CA)	<ul style="list-style-type: none"> Provides an opportunity for single employees to socialize with each other, in an event co-hosted by LG Chem Strengthens sense of belonging among employees, while providing an opportunity for single employees to socialize with each other
	Care PGM Leisure Life (Guangzhou/CA)	<ul style="list-style-type: none"> Holds monthly recreation events Encourages employees to enjoy their leisure time and improve their quality of life
	Care PGM Weekend Getaways (Guangzhou/CA)	<ul style="list-style-type: none"> Holds monthly sightseeing tours of Guangzhou Supports and encourages production workers deployed from Korea or posted on short-term assignments
	Family Visit Events for Outstanding Employees	<ul style="list-style-type: none"> Encourages outstanding employees and strengthens the sense of belonging for all employees
	Family Carnival (Nanjing)	<ul style="list-style-type: none"> Creates a family-oriented environment Provides an opportunity for employees to bond with their children
	Fun Day (Nanjing)	<ul style="list-style-type: none"> Employee participation games run during lunch break Creates a fun work environment
	Vietnam	Social Protection Center volunteer activities
Cleanup Activity in the surrounding		<ul style="list-style-type: none"> Cleaning facilities around the workplace and monuments at the memorial
Blood Donation Activities		<ul style="list-style-type: none"> Employees regularly donate blood
Spread the love		<ul style="list-style-type: none"> Providing gifts and planning events at pediatric wards
	Light up tomorrow	<ul style="list-style-type: none"> Remodeling of school restrooms and public facilities



Fun Day Activities



Employee Photo Contest



Employee participating sports club



Elementary School Volunteering Activities

Sustainable Focus Area

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Environmental Management

ENVIRONMENTAL MANAGEMENT

2018 Performance



Selected for the 2017-2018 CDP Carbon Management Honors Club



2018 Certification of FEMS (Factory Energy Management System), Energy Champion

Relevance of Topic

Since the Paris Climate Change Convention, there has been an increasing demand for corporations to take greater responsibility and pursue activities that respond to climate change, such as by reducing GHG emissions. In addition to corporate sustainability, operating eco-friendly business sites, through efforts such as advanced environmental management and carbon management activities for the sustainable development of local communities and global societies, is more important than ever.

Challenges and opportunities

The regulatory requirements related to the use of hazardous chemical substances in electric and electronic products have been tightened, and demands for environmental responsibility have increased significantly. Failure to meet these demands can lead to conflicts with the local community and ultimately damage our corporate reputation. By conducting business transparently with a focus on environmental and carbon management, we build trust with our stakeholders and strengthen our market position and reputation as an eco-friendly company.

Our Approach

At LG Display, we have acquired environmental and energy management system certifications (e.g. ISO14001, ISO50001) at our domestic and overseas business sites, and carry out consistent environmental management activities in accordance with our environmental strategy. In addition, we are actively engaging in eco-friendly energy management certification programs such as the CDP carbon disclosure project and FEMS certification as part of our environmental management practices.



Building an Environmental Management System

Under our Green Company Strategy, we minimize the environmental impact of our business activities and make a number of different efforts to fulfill our environmental responsibilities. This has included initiatives like operating an energy management system and participating in carbon/water information disclosure projects.

Environment & Energy Management System

As a global firm in South Korea, at LG Display we are committed to fulfilling our corporate social responsibilities through eco-friendly management at a global level while going beyond regulatory requirements, such as managing environmental management system certification (ISO14001). In addition to our proactive approach to reducing GHG emissions, improving energy efficiency, and engaging in the Carbon Disclosure Project, we are actively involved in investments and activities to promote the introduction of eco-friendly management throughout the display industry and to raise the eco-friendliness of the supply chain.

Green Company

Water Neutral

- Wastewater reuse

Resource circulation

- Resource circulation
- Recycling of components

Minimizing carbon footprint

- Zero GHG from production
- Renewable energy
- External GHG reduction & afforestation projects

Environmental contribution

- Improving local environment
- Green growth with suppliers

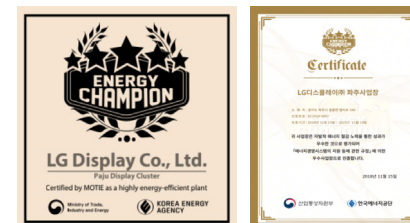
Environmental Performance Management Indicators

When it comes to minimizing our environmental impact, we make sure that the progress we have made is managed consistently at both corporate-wide and departmental levels. In 2018, we achieved 11 out of 18 of our corporate-wide environmental management and operation goals. In addition, we reached a 96% achievement rate by completing 1,666 team goals out of 1,728, a 3% increase over the previous year. We also identified the causes of failure and established plans for improvement for the rest of the goals.

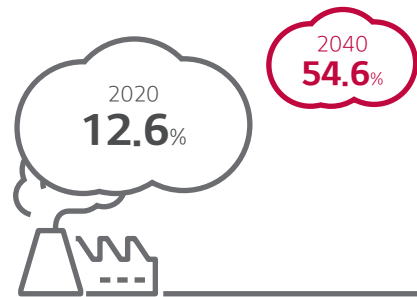
Energy Management System Operational Performance

Environment & Energy Management System

As part of our environmental management, we acquired the energy management system certification (ISO50001) for our production facilities in Paju and Gumi. In 2017, these facilities were reviewed and evaluated for FEMS by the Korea Energy Corporation, and obtained the first grade and highest score, a first in Korea. In recognition of our efforts in leading energy conservation practices and demand management, we received the Presidential Commendation for the Korea Energy Efficiency Award. We also were the first in the industry to be certified for our energy management system.



GHG Emission Reduction Goal
(Compared to 2014)

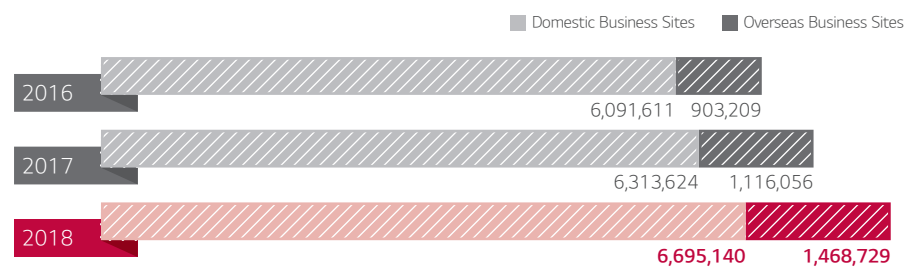


Response to Climate Change

GHG Emission Management & Response

Since we were designated as a GHG emission trading company in 2015, we have submitted annual plans for the allocation and monitoring of GHG emissions to the government. To reduce GHG emissions, we have set a short-term goal of reducing GHG emissions by 16.8% by 2022 from 2014 and a mid to long-term goal of reducing them by 54.6% by 2040. To this end, we make continuous investments and manage emissions.

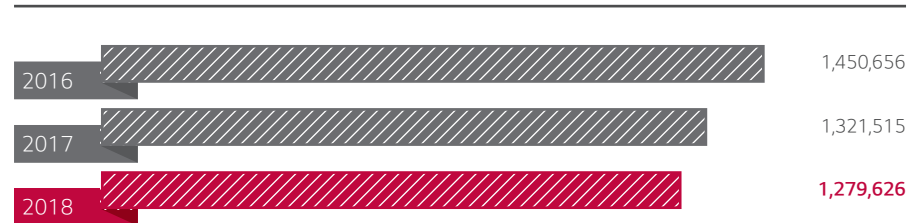
Domestic and Overseas GHG Emission (Scope1, 2) [Unit : tCO₂eq]



GHG Emission Reduction Activities

To secure competitiveness in dealing with climate change, LG Display participates in the emissions trading scheme as a short-term strategy and responds actively to government policies, while making large-scale environmental investments to replace SF6 with NF3. Through these efforts, we reduced our greenhouse gas emissions by 1.28 million tCO₂ in 2018, further reducing 630,000 tCO₂ from the target of 650,000 tCO₂. In the mid to long term, we will continue to develop low-carbon clean-production technologies to achieve zero greenhouse gas emissions, and implement a variety of energy reduction measures.

GHG Emission Reduction [Unit : tCO₂eq] (Domestic Business Sites)



Climate Change Disclosure Project (CDP)

The CDP (Climate Change Disclosure Project) is a globally recognized project that the UK CDP has been delegated by financial investment institutions around the world to evaluate key environmental information such as the response to climate change and other global environmental issues. It is globally recognized for its reliability in environmental information disclosure. Recognized for our excellence in water management, we were selected as the best company in Korea in the CDP Water category in 2018. Also, UK CDP recognized our commitment to carbon management and selected us as part of the Carbon Management Honors Club (Top five companies among the respondents) in the CDP Climate Change category, the only South Korean IT firm in this category.

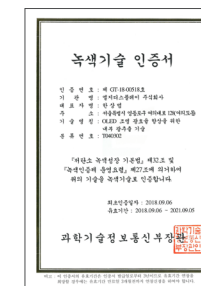


Global Environment Restriction and Policy Response

* RoHS: The Restriction of the use of certain Hazardous Substances in electrical and electronic equipment. limits the use of hazardous substances such as lead, mercury, cadmium, etc.
 ** 4 types of Phthalate: Added to RoHS as a subject matter in July 2019 BBP (butyl benzyl phthalate), DBP (fthalic acid dibutyl), DEHP (diethyl hexyl phthalate), DIBP (Diaso butyl phthalate)

Response to Regulations on Phthalate

- 2015. 4. Conducted prior inspection of phthalate use in parts suppliers
- 2015. 6. Effectuation of the revised RoHS (Four phthalates added)
- 2016. 4. Verified the use of phthalates by parts suppliers
- 2016. 7. Revised the LGD standards for managing hazardous substances in products Implemented phthalate management process for product parts
- 2018. 9. Strengthened hazardous substance verification materials (Chemical Composition, MSDS)
- 2019. 7. 22. Enforced RoHS Phthalate regulations on phthalates



Response to Hazardous Environmental Substance

Response to Hazardous Chemical Restrictions

At LG Display, we take a proactive approach when dealing with regulations on the use of hazardous substances in electric and electronic products enforced by the EU and customers in the global market, by building a management process and engaging in eco-friendly certification programs.

Proactive Management Process in response to Additional RoHS* substances

As part of our proactive management and response to an amendment to the law that adds four new RoHS substances (4 types of Phthalate**) to the existing 6 substances at the second half of 2019, we have identified potential risk factors in the new substances and established a more stable management system and response process. To develop this process, we have identified regulatory trends by working with external organizations, established an RoHS response strategy, and developed and applied more efficient measures by signing agreements with related departments in charge of development, purchasing, and quality.

Eco-friendly Product Certification

Development and Certification of the Eco-friendly Product Certification Program

At LG Display, we developed the first Eco Label for TV display modules in the industry in cooperation with SGS, a global testing and certification organization, in 2017. As a result, we obtained SGS Eco Label certification for our OLED TV, IPS Nano Color TV, and Art Glass TV models through reviewing their recycling rate, our use of hazardous materials, and our hazardous materials management system during development and production cycles.

For IPS Nano Color for LCDs, we acquired Quality and Performance Marks (QPM) from Intertek, a global testing and certification organization, by stopping the use of cadmium and indium phosphide in the products. We added 'VOCs Reduction' to the SGS ECO Label certification evaluation factor in 2018 and obtained certification for the OLED model.

SGS Eco Label Certification

Evaluation Element

1. Reducing Hazardous Substances
2. Efficiency of Resource Use
3. Recycling, etc.
4. Reducing VOCs* (Volatile Organic Compounds)

Intertek QPM Certification

'Cd(Cadmium) Free, InP(Indium phosphide) Free LAP (Light Absorption Polarizer) for TV Panel'

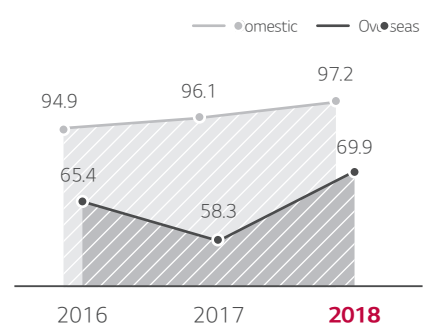
QPM (Quality & Performance Mark) acquisition

*VOC (Volatile Organic Compounds): Organic compounds that evaporate easily into the atmosphere and cause air pollution and carcinogenic substances. (Benzene, acetylene, gasoline, etc.)

Certification of Green Technology

In 2018, we obtained green technology certification for OLED lighting products from Korea Industrial Technology Development Organization (KOTRA), an affiliate of the Ministry of Industry and Trade. This is a certification for technology that saves energy and resources efficiently and minimizes greenhouse gases and pollutant emissions. We acquired the certification with our OLED lighting efficiency improvement technology that reduces power consumption.

Recycling Rate by Business Site [Unit : %]



Maximizing Resource Recycling (Recycling wastes, Reducing water-use)

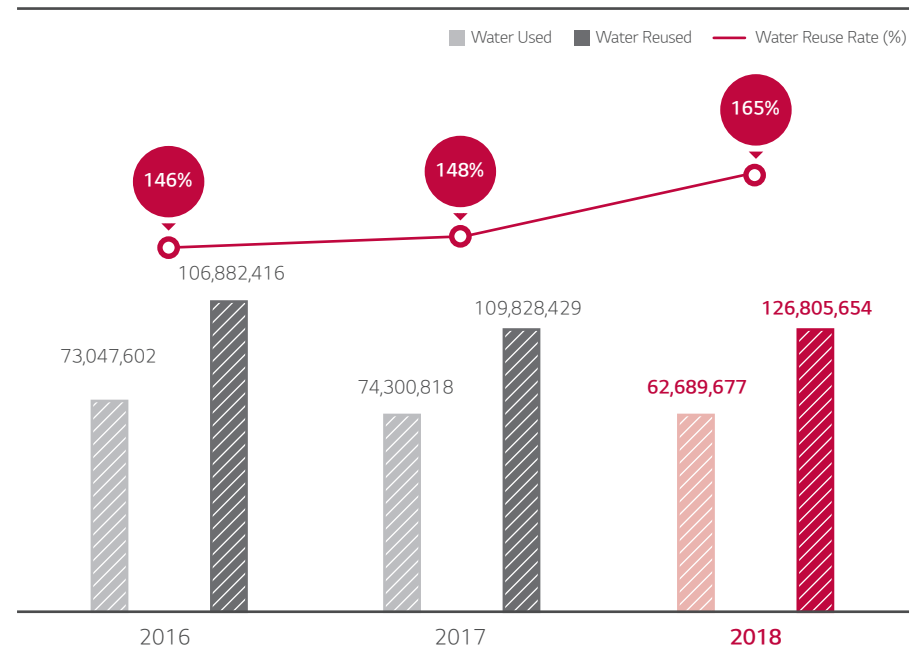
Recycling Wastes

We have signed an MOU for the "Recycling Performance Management Test Project" carried out by the Ministry of Environment and the Korea Environment Corporation with the aim of improving the waste disposal, storage, and transportation process, and separate materials by type in response to the requirements of the Framework Act on Resource Circulation, which will be enforced in 2018. In addition, we are supporting resource circulation by using our own newly-developed recycling technology. By developing a waste glass film separation technology, we have achieved a 100% waste glass recycling rate while maximizing the reuse of raw materials using pulp regenerators. In addition, we have managed to reduce costs and establish a resource recycling system by recovering resources and selling them, thanks to our system for recovering copper from sludge and protective film (PET) fiber material technology.

Water Conservation

At LG Display, we are working in various areas to ensure a stable water supply. By taking initiatives such as water usage analysis, consistency review, and implementation of a response strategy, we are reducing our risks associated with water. To improve our water reuse rate as well as to reduce water consumption by each business site throughout the entire business process, we set water reuse as a KPI for our business sites. We also have improved our equipment and process to reduce water consumption, while establishing plans to increase the supply capacity and reuse rate by reviewing the water infrastructure. Thanks to these efforts, we achieved a water reuse rate of 165% in 2018.

Water Use & Reuse Rate [Unit: ton, %]



Hazardous Substance Management Program



Hazardous Substance Management (Air, Water Pollutant, Hazardous Chemicals)

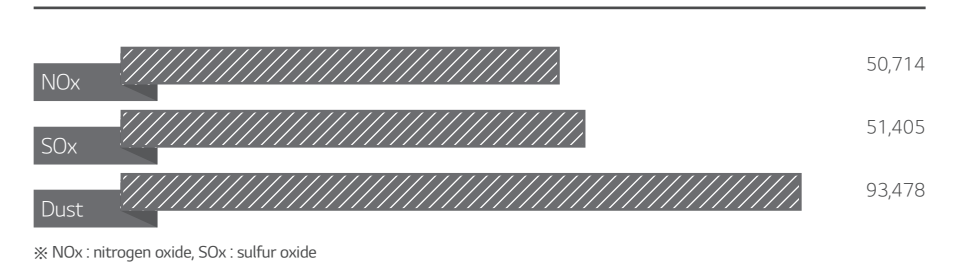
Hazardous Chemical Management

Throughout our entire business process, from review and warehousing of chemicals to disposal, we are committed to minimizing the risks associated with new regulatory requirements and exposure of the trade secrets of suppliers while preventing any issues that may be caused by them. To this end, we are taking a proactive approach to risk management using our chemicals management system from the review stage prior to introduction while establishing a GHS MSDS (Globally Harmonized System Material Safety Data Sheet) with our suppliers for sustainability. In particular, by establishing an imported chemical substance management system, environmental safety preliminary examination, and PSM system, we minimize the risk of new chemical substances by conducting a thorough review of their risks and the applicable regulations before they are received. Furthermore, in accordance with the Toxic Chemicals Control Act, we have submitted the external impact analysis and risk management plan for chemical disasters to the National Institute of Chemical Safety and received approval. In addition to this, we share information with local residents of our business sites through seminars and resident council meetings.

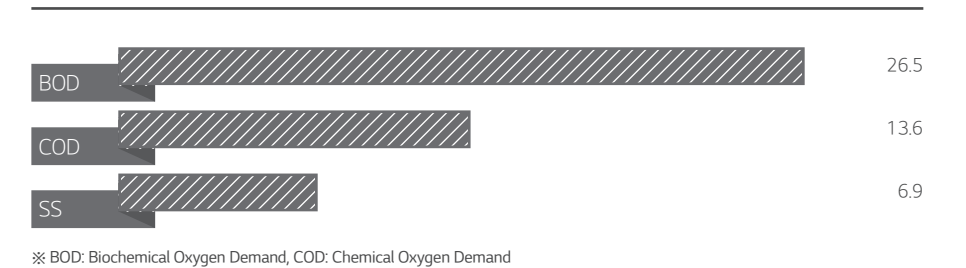
Air & Water Pollutant Management

At LG Display, we hire experts in each field of environmental management to focus our resources on environmental management and response to regulatory requirements by installing protection facilities. As part of our efforts to minimize our environmental impact, we have established air and water pollutant treatment that is optimized for the characteristics of each raw and auxiliary material used in different processes. We also installed an exclusion system to minimize the impact on our water resources of any chemical accident and our internal limit is 50% of the legal requirements to manage pollutants with rigor.

2018 Emissions of Air Pollutants (Domestic) [Unit : kg/yr]



2018 Emissions of Water Pollutants (Domestic) [Unit : ton/d]



Safety and Health

STRENGTHENING THE SAFETY AND HEALTH SYSTEM

2018 Performance



Established advanced industrial health system



Support for 27 partners
Obtained external safety certification (KOSHA/OHSAS 18001)



949 people Completed safety training

Importance of Reporting Topics

With the growing risk of large-scale disasters such as earthquakes and typhoons threatening the safety of our business sites, we have been required to equip ourselves with an efficient disaster response and restoration system and undertake disaster prevention activities. To prevent any risk to the lives and safety of our employees that may be caused by safety accidents, we must proactively take preventive measures.

Challenges and Opportunities

Challenges

Failure to respond properly to natural disasters and safety accidents and establish adequate prevention measures may lead to the suspension of operations in business sites, as well as secondary accidents which may have an impact on employee safety and corporate reliability.

Opportunities

Professional and systematic safety systems and prevention activities can help lead to the safe operation of business sites, as well as enhanced employee safety and corporate reliability.

Our Approach

LG Display ensures that its business sites operate in a safe and sound manner by implementing world-class safety and health management. To this end, we fundamentally secure safety and health by fostering experts in the field of safety and health management and equipping ourselves with a systematic and sustainable safety and health system using an integrated safety system.



Strengthening our Safety and Health System

Strengthening our Safety and Health System

LG Display makes its business sites safe and healthy through the application of world-class safety and health management. In particular, we secure the fundamental factors required to ensure safety and health by minimizing the occurrence of serious accidents in our business sites, while enhancing the level of our safety and health management through an integrated safety management system. With the active participation of our employees, we are building up LG Display's own unique safety culture.

Safety and Health System



Safety and Health Organization

To strengthen safety and health in our business sites, we operate a dedicated safety and health organization to oversee our safety and health management and relevant external affairs as well as secure fundamental safety in our production processes. At the same time, we operate Safety Units and Emergency Units under our Safety and Health Teams at our Paju and Gumi plants to enable us to better respond to any accidents that may occur at these sites. We have also formed a Special Safety Inspection Task Force to implement intensive safety management for employees of our partner companies through the use of a checklist for hazardous work and risk factor inspection.

Safety and Health Certification Management

To ensure safety in its business sites, LG Display applies safety and health management systems such as OHSAS 18001 and KOSHA 18001 in its Gumi and Paju plants. In addition, to achieve mutual growth with our partner companies, we have strengthened our social responsibilities in the area of safety and health by having our safety programs certified. At the same time, we have enhanced the level of safety and health management in our partner companies through KOSHA/OHSAS 18001 joint certification.



Establishing an Efficient Safety and Health System

Integrated Safety Management System

LG Display has established an integrated safety management (ISM) system for the efficient and systematic management of safety and health activities, with functions enabling chemical substance management, accident record management and automatic alert in case of abnormality detection. We have continuously improved the system to enable the prompt provision of information according to specific purposes. In the long term, we will make further improvements in order to complete a smart safety system that systematically manages various risk factors and physical factors.

Major Improvements in the Integrated Safety Management System

Items	Improvements
Safety Portal	<ul style="list-style-type: none"> Provides information on safety and health standards/guidelines, Safety Talk materials, etc. (to strengthen employees' safety capability) Provides safety maps (location of facilities, etc.)
Work Management	<ul style="list-style-type: none"> Provides reports on hazardous work
Education and Training Management	<ul style="list-style-type: none"> Prevents the omission of legally-required safety education (regular, special training, etc.) Manages emergency drill plans/performance
Accident History Management	<ul style="list-style-type: none"> Shares information on near misses and generalizations
Chemical Substance Management	<ul style="list-style-type: none"> Provides information on the status of chemical use by each organization Prevents the omission of pre-screening when expanding to other plants
Protection Device Management	<ul style="list-style-type: none"> Manages purchase/distribution history and inventory
Safety Improvement Activities (using Mobile)	<ul style="list-style-type: none"> Proposes safety improvement ideas and site inspection management

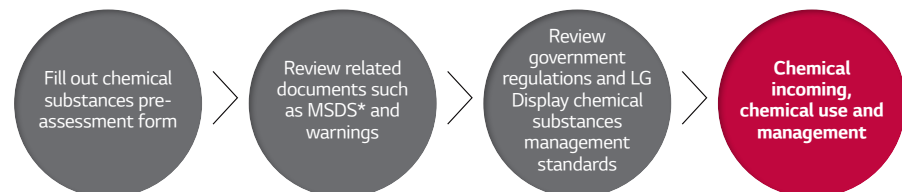
Control Center

At LG Display, we have established our Control Center, which is equipped with a system that monitors firefighting facilities, utilities, weather information, and gas/chemical control to rapidly transmit information on the situation in the event of an emergency. This helps us prepare for situations that may arise.



Chemicals Control System

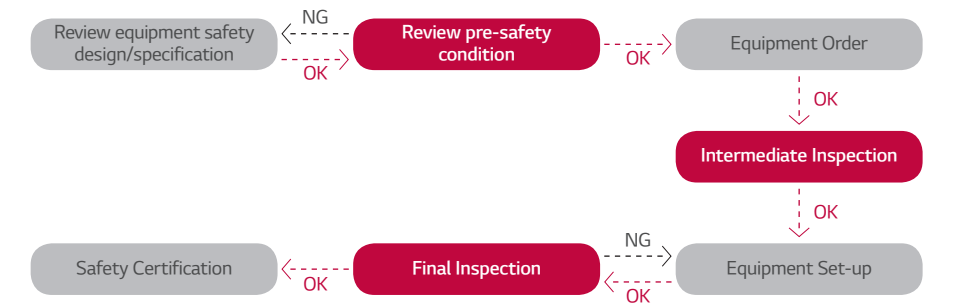
To support the safety of our workplace and reduce our environmental impact, we manage the entire business process dealing with chemical substances. In particular, we conduct preliminary reviews on chemical substances to identify their risk factors and ensure compliance with legal requirements, and operate an internal chemical control system to ensure the safety of our business sites.



*MSDS: Material Safety Data Sheet

Equipment Safety Certification System

To prevent industrial disasters caused by human error, we have applied equipment safety standards to all new equipment as part of our safety certification system. In addition, we have improved the level of reliability when it comes to the safety of equipment under operation, and reduced the fundamental risk factors through the inspection process.



Employee Health Programs

At LG Display, we provide a number of employee health programs to prevent diseases and help them manage their health. As part of our medical service, we operate an in-house medical clinic, healthcare center, and personalized medical check-up service, as well as a nursing room for new mothers and a vaccination service. On-site training on safe working habits is provided to help prevent musculoskeletal disorders, and dental and eye examinations are also provided for employees.

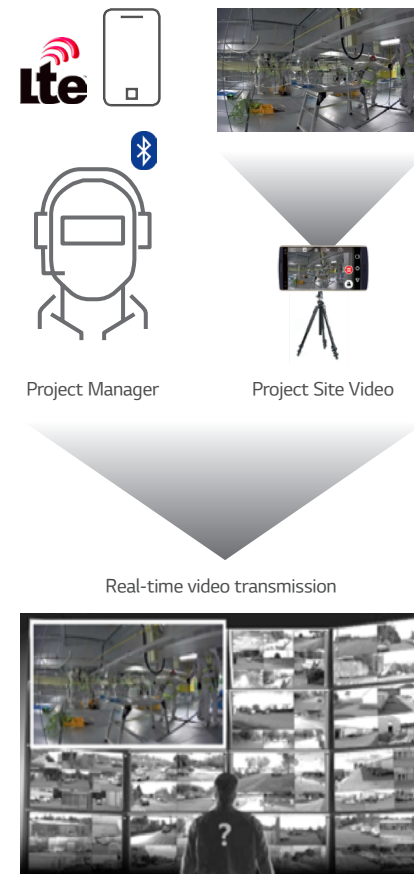
Advanced Industrial Health System

As part of our efforts for corporate social responsibility, we have established an advanced industrial health system that monitors the workplace environment, and are constantly working to improve our disease prevention support system. In this way, we are creating the safest workplace in the manufacturing industry, and are providing support for our employees and suppliers' employees who work at our business sites in cases of cancer, rare or incurable diseases, or children's diseases, regardless of whether such diseases are work-related or not. We also organized the LG Display Industrial Health Support Compensation Committee with a third-party operation system for increased independence.

In addition, we engage in a number of employee health improvement activities, including a health survey, preventive health policy, and chemicals control system, as part of our advanced industrial health program.

Direct Cam Monitoring System

LG Display is working to prevent serious accidents by addressing unsafe situations through a real-time monitoring system that covers all work performed by our employees and those of our partner companies. In addition to improving the work environment, it also plays an important role in expanding the role of project managers and strengthening the sense of responsibility. We will continue to carry out thorough workplace safety management while improving the system.



Securing Fundamental Safety and Health

LGD Safety Rules & 8 Life-saving Rules


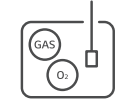

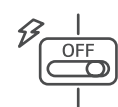



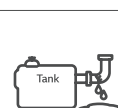
The LGD Safety Rules are applied in order to prevent accidents at our workplace and ensure the safety of our employees and those of our suppliers. We established 8 Life-saving Rules that consist of essential safety actions covering safety devices, work in confined spaces, work at height, work with electricity, work with heavy machinery, work with forklifts, the use of firearms, and work with chemicals, to make our workplaces safer.

LGD Safety Rules
 as a basis for preventing accidents

	Report safety abnormalities or accidents immediately to the central control room.
	Provide risk information to partner companies, and grant a safety work permit prior to work.
	Wear suitable protective devices for work.
	Do warm-up exercises prior to outdoor activities.
	All work procedures must include and comply with safety instructions.
	Wear a safety belt when driving a vehicle, and never drive while intoxicated.

8 Life-saving Rules

8 Life-saving Rules for preventing industrial disasters (casualties)

	Never arbitrarily release or alter any safeguards, and obtain approval if a temporary release of safeguards necessary.		Measure the level of oxygen concentration and harmful gas prior to working in an enclosed space.
	Take fall prevention measures (e.g., safety belt) when work at height.		Confirm non-live state prior to conducting electrical work.
	Work on heavy objects should be carried out after taking detachment and conduction prevention measures.		When using forklift trucks, comply with the company-regulated speed and wear safety belts.
	Remove surrounding flammable materials prior to work.		Take leak prevention measures (e.g., valve closed, residue removal, etc.) for chemical work.



Employees who completed the 2018 Safety Guardians Program

949 employees

Strengthening on-site Safety Management

On-site Safety Training

At LG Display, we operate a number of safety training programs that focus on sites in order to increase the safety-consciousness of our employees and suppliers. These programs include our safety school and safety experience center. Through the programs, we work to prevent industrial disasters and increase safety awareness. At the safety school, our employees acquire safety knowledge while gaining practical experience at the safety experience center to improve their response in emergency situations and gain insight into the hazard factors present in workplace processes. In 2018, 949 employees completed the safety training program at the safety school, while 1,957 employees underwent training at the safety experience center.



Safety Training Session using VR

At LG Display, we have set up a number of VR systems to give our employees the opportunity to experience the risk of accidents from 2017. We have selected the 8 major life rules of LG Display as a theme, and have simulated safety accidents in VR, to enhance the disaster preventive effect.

LG DISPLAY PAJU SAFETY SCHOOL

"안전조치가 안된 다양한 형태의 중량물 이동"

사내에서 발생하는 다양한 형태의 중량물 이동작업 중 이월/신도시고 위험성 인지 제법

인식 Point —
중량물 취급 시 이월/신도시고 물리 방지조치를 인지 중량물 범호조치 기능활용(서버정지)인 사용금지

"작업 중 누군가가 장비를 가동한다면..."

장비 내장 구동장치에서 이루어지는 가동 위험 작업을 통한 위험성 인지 제법

인식 Point —
안전장치 임의해제 및 변경 금지하고 필요 시 승인/동작 장제 내부 작업 시 포지셔닝 표시를 통해 작업 위치 확인 장제 조치 전후 위험상황이 발생하고 위험요인 개선조치

"밀폐공간에서 산소농도가 떨어지고 있다"

밀폐공간에 방출될 수 있는 밀폐공간에서 발생하는 작업 을 통한 위험성 인지 제법

인식 Point —
밀폐 작업 전 중계기 시 산소농도 및 유해가스 측정 장비 작동 시 포지셔닝 표시를 통해 작업 위치 확인 장제 조치 전후 위험상황이 발생하고 위험요인 개선조치

"공장 Set-up 현장 밀어짐 위험 작업 발생"

Set-up 현장에서 발생하는 다양한 밀어짐 상황을 미리 노출 수 있는 위험성 인지 제법

인식 Point —
안전대를 착용하고 안전대 앞을 해결하여 사용 밀어짐 방지를 위한 대책 (계구부안전벨트/수역방수장)

"작업장에 피복이 벗겨진 배선 노출"

전기가 흐르는 환경에서 이루어진 위험작업을 통한 위험성 인지 제법

인식 Point —
전선 피복 벗겨짐을 사용하여 불안전 유무를 확인하여 안전을 확보하는 것이 중요하다

LG DISPLAY PAJU SAFETY SCHOOL

"안전조치가 안된 다양한 형태의 중량물 이동"

사내에서 발생하는 다양한 형태의 중량물 이동작업 중 이월/신도시고 위험성 인지 제법

인식 Point —
중량물 취급 시 이월/신도시고 물리 방지조치를 인지 중량물 범호조치 기능활용(서버정지)인 사용금지

"지게차 작업장에서 보행 중 휴대폰 사용"

작업장에서 이루어지는 휴대폰 사용으로 인한 안전사고 발생을 예방할 수 있는 다양한 위험성 인지 제법

인식 Point —
지게차 이동/작업 시 사내소통수신 안전벨트/안전요 사용 지게차 운행/작업 현장 1배 보행자/작업자 확인

"용접작업 중 불꽃 비산 가연물 화재 발생"

사내에서 용접작업을 하던 작업장에 불꽃 낙하용으로 주변 가연물에 화재발생 위험성 인지 제법

인식 Point —
수변 인화성 물질 10m 이상 피격 조치 실시 불꽃 비산 방지 조치 실시

"화확물질이 가득 찬 배관 교체 작업 실시"

화확물질의 위험으로 부터 작업을 진행하여 하는 작업이 누출 및 비산 등 위험성 인지 제법

인식 Point —
작업하는 취급하는 화확물질의 정보를 인지 배관(Pipe) 교체 시 열화(Closed)인용 물레가 작업 후 OPEN 하지 못하도록 조치

Building a Safety Culture

Expanding a Safety Culture

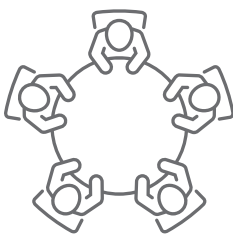
With the safety principle of 'We only work when it is safe,' we are making our workplace safer and free of accidents. Following the slogan 'Your safety starts with your actions,' we internalize our safety processes and create a safe work environment. We will continue to promote safety in our workplace through a number of safety programs, and bring more attention to the importance of safety.

Safety Awareness Programs

At LG Display, we have organized a range of programs to increase the safety-consciousness of our employees. These include 'Safety Talks,' at which leaders engage in communication on safety and health prior to meetings or corporate events, the 'Safety Culture Letter' through which we share information about safety and health, and the 'Safety Forum,' which we use to share excellent safety practices among employees.

Safety Talk Guide

Who?	Meeting/event host Leader!
When?	Before meeting/event!
How?	No specific format. Keep it short, 2-5 minutes!
Topic?	Choose any topic for each organization! [depending on the characteristics of the organization: Experience, Common knowledge, safety and health information, etc.]



Building a BBS System

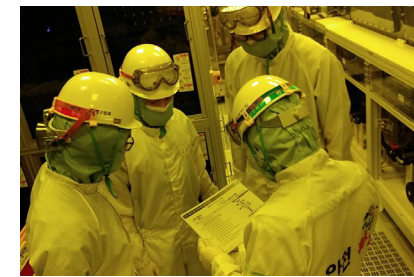
At LG Display, based on an awareness of the importance of human (action) in safety, we introduced BBS (Behavior-Based Safety) in our work process with a focus on achieving a significant improvement in individual behaviors and safety practices by 2018. Today, LG Display's production employees regularly participate in BBS activities to observe and communicate on safe and unsafe behavior with their peers, through which they are building their own individual risk management capabilities and contributing to an improvement in the workplace safety culture. In addition, we are promoting the BBS computerization system for efficient BBS management, and overseas corporations are also spreading BBS activities.

Expanding LSRD System in Overseas Subsidiaries

As part of our efforts to track our progress in the area of safety, we have developed the LSRS (LG Display Safety Rating System), our own safety and health evaluation system. The evaluation covers the areas of safety system and safety culture, and we are fostering our own expertise in evaluation through training programs. Since 2018, we have been expanding the system to include overseas subsidiaries and suppliers and improve the level of safety compliance, as we are in South Korea.



Safety Awareness Event



Confirm risk assessment



Safety pledge for partners



Partner Safety Achievement Award

Safety Leadership/Specialization Process

LG Display is strengthening safety leadership among its leaders by educating new and former executives and team leaders on the importance and purpose of safety leadership, and runs a safety specialization course to strengthen the capabilities of safety practitioners. In 2018, 26 new and incoming officers and 87 new team leaders were trained on safety leadership. The safety specialization process was administered to 101 safety practitioners, and efforts were made to strengthen the safety leadership of leaders and enhance the safety capabilities of practitioners.

4th Safety Day, Safety Week

LG Display runs a Safety Day every year on January 12 in order to raise awareness of safety incidents among its employees and partners, and to strengthen its commitment to safety management. Our 4th Safety Day was held in 2019, and a number of safety enhancement activities were carried out during the Safety Week to help build a company-wide consensus on safety.

Strengthen Safety Communication with Site Manager

For site safety management, LG Display is strengthening its safety performance through regular safety communication with the managers responsible for project sites. In a meeting with the managers, we share information on key safety incidents, safety information, collect feedback on safety from workers on site, and make an effort to bring an awareness to the site that safety must be the priority through active communication.

Strengthening Partner Safety Management

Safety and Health Mutual Cooperation Programs for Partner Companies

LG Display makes joint efforts with its partner companies to establish and implement safety and health action plans, part of which includes providing education and training on safety and health management systems. Through these efforts, we help our partner companies to build their level of safety and health and pursue mutual development in this area. We also have conducted risk assessments on our partner companies' facilities, environment and chemical substance management, as a result of which we have helped 27 partner companies to obtain KOSHA / OHSAS 18001 certification by making improvements and providing support in their establishment of self-regulatory safety and health systems. In addition, we convene a Safety and Health Mutual Cooperation Meeting with our partner companies on a monthly basis to share safety-related information and cases, as well as to gather feedback.

Safety & Health Consulting & Support for Partner Companies

LG Display identifies the level of commitment to safety and health in its partner companies that handle chemical substances or supply components, including the safety culture, legal documents and on-site safety management, while providing training and consulting support with experts and private firms. In addition, the company organizes training sessions that address the importance of safety and health at the annual meetings with partner companies' executive officers as part of its efforts to improve their safety practices and ensure mutual growth by preventing industrial disasters in the long term.

Partner Safety Training

LG Display requires all visitors and outside workers to receive online training on LGD Safety Rules, the 8 Life-saving Rules, basic compliance and work safety instructions before entering our business sites. If the training is not completed, entry is prevented. In addition, the company carries out safety enhancement video training/evaluation for safety managers responsible for occupational safety management, and allows only the personnel who have the achieved the specialization to perform the related task(s).

Employees

WORK LIFE BALANCE

2018 Performance



Family friendly culture
Creating a healthy workplace



Grand Prize for 4 consecutive years
(Global Standard Management Award) in family-friendly management



Communication and Activities between labor and executive management
827 times

Relevance of Topic

To stay ahead of the curve in today's fast-changing global display market business environment, it is crucial to create a workplace that supports the development of talent while enhancing the well-being of employees. We recognize that corporate development starts with the development of human resources: a systematic competency development system and corporate environment that promote a work-life balance are essential parts of corporate management.

Challenges and opportunities

Challenges

Failure to meet the needs and expectations of employees can result in the loss of key talent, costing a company its competitive advantage in the market.

Opportunities

Strengthening the competence of employees can increase the company's competitive advantage in the market. As well, a family-friendly organizational culture can ensure work-life balance and foster creativity and innovation.

Our Approach

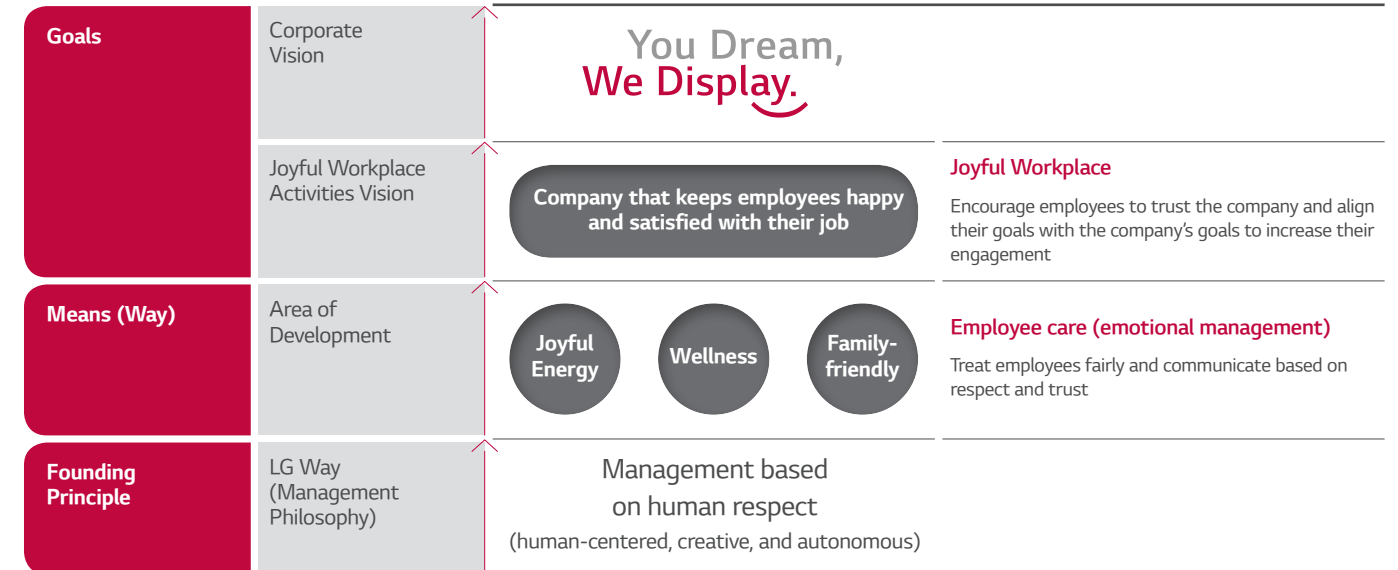
Since 2008, LG Display has been promoting "Joyful Workplace Activities" in order to become a "company that you want to work at, and that is fun to work at." By creating a cooperative labor-management relationship that is based on open communication, we ensure the sustainable growth of our business. We recognize that the strength of employees determines the strength of the company, and we implement strategies and engage in activities to secure and foster talent.



Realizing Joyful Workplace

Based on our founding principle of 'Respect for individuals', we are committed to creating a workplace that keeps our employees happy and satisfied with their jobs. With focus on 'Wellness,' 'Joyful Energy' and 'Family-Friendly' as our core values, we boost employee loyalty and motivation in pursuit of our corporate vision and success.

Creating a Joyful Organizational Culture



Joyful Workplace Promotion Plan

Wellness

At LG Display, we provide a number of employee support programs to help our workers improve their physical, mental, and social health. In particular, the Mungyeong Healing Center, which opened in April 2017 after remodeling a school in Mungyeong, Gyeongsangbukdo, is a dedicated place for providing opportunities to relax and boost teamwork and communication. We also continue to develop and operate unique programs such as psychological counseling sessions, an organizational communication camp, and group exercise sessions.

Joyful Energy

At LG Display, we operate a range of programs to boost employee morale and teamwork, such as our year-end company event to share our appreciation and encouragement with coworkers, leadership programs in which the CEO and executive officers participate, and the 'LGD Choir' to pursue coordination and communication through singing.

We also selectively honor employees who have contributed to creating a joyful workplace environment, by recognizing them as 'Joyful Members' and 'Joyful Creators' to support voluntary in-house club activities. Joyful Members and Joyful Creators have regular meetings and share their ideas on creating a happy and productive workplace.

Category	Improvements
Physical Wellness	Healthcare M (massage), GX (e.g. yoga, Pilates), Wellness Food
Mental Wellness	Mungyeong Healing Center Psychological counseling heart temperature 37.2℃ Soul comforting prescription
Social Wellness	Communication Group Camp Team Friendship Happy Talk (Compliment System)



Family Friendly

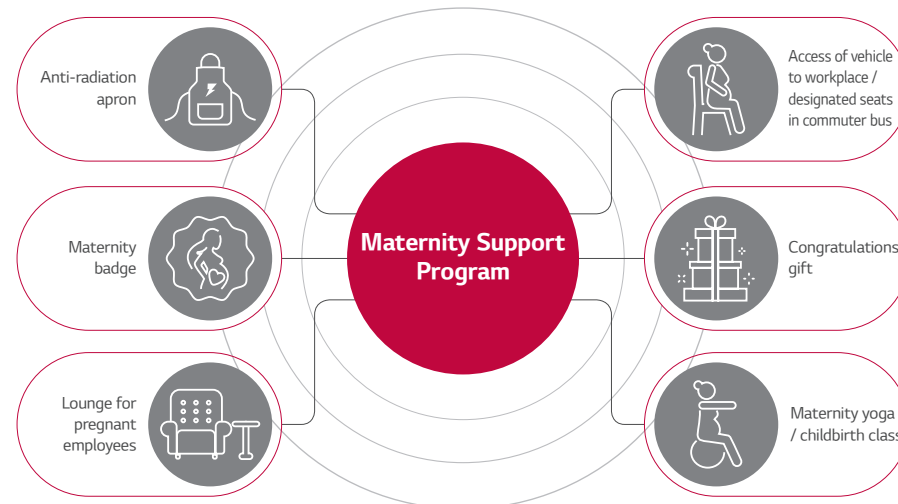
Based on a corporate philosophy of 'Happiness at home is a key to success,' we operate a number of family-friendly programs. We divide the lifecycle of employment into five stages, and design personalized lifecycle programs for our employees. The main activities include providing a gift of a welcome kit for new employees, providing a 'wedding car' for employees who get married, supporting a 'pregnancy celebration gift' and 'childcare special' for employees who are worried about pregnancy/childcare, 'Special Lecture for College Admission' and 'Promotion of College Admission for Students' to help child's education. In May, we organize a company-wide "Children's Day" event on company premises so that employees can spend a happy time with their family and children. Programs such as Spending Two Days with Your Parents and Job Experience Programs for Children were also organized to create a family-friendly workplace.

Personalized Lifecycle Support Program

Stages	Main Program
Single and Pre-marriage	Providing life-style resources (homepage of 'Joyful Workplace')
Marriage and Pregnancy	Wedding car support for in-company couples, maternity gifts, anti-radiation aprons, maternity badges for expecting moms, designated parking for expecting moms
Infant and Baby Care	Family month event (5/5), special lecture for childcare
Children and Youth Parenting	First day of school gift for employees with children starting elementary school, university exam information sessions, job experience program
Empty-nest and Retirement Preparation	Preparation program for age 100
For All Stages	Parent(s) invitation event (2 day program)

Maternity Program

At LG Display, we have adopted various maternity programs and systems to help our employees continue their professional career from pregnancy to the child-rearing stage. In addition to the pregnancy registration system for administration and support, we allow maternity leave before and after childbirth, financial support, parental leave, and childcare facilities at each workplace as part of our maternity support program.



Monitoring and improving pleasant workplace culture

Our Joyful Workplace Team conducts an annual survey on employees' job satisfaction. Starting in 2018, we will carry out a 'Mental Health Index Survey' to analyze the mental health of our employees and organizations, identify main issues, and provide personalized solutions to employees to improve their mental health. In particular, one-on-one feedback will be provided to the executive officers and managers based on the results of the analysis. The issues and solutions identified using these tools are used to improve employee commitment to their jobs, and ultimately, the performance of the organization.

Support customized solutions for organizations using Mind Health Index

The Heart Temperature 37.2°C program evaluates the overall state of mental wellness of an organization, including emotion management, stress management and self-control, and provides solutions based on the results. Utilizing its own 'Mental Wellness Index' to measure the heart's temperature level, the questionnaire consists of 36 questions covering three areas: constancy, resilience and positive energy. The results of mental wellness state are categorized into five levels, and solutions are provided to organizations that fall into the lowest two levels (moderate level or lower).

Through the Heart Temperature 37.2°C program, each organization can prevent the mental and physical deterioration of the organization and its members, and the department in charge of the program can systematically deliver its wellness program and infrastructure to each organization more efficiently.

LG Display, the Best Family-friendly Workplace



LG Display has been recognized for its excellent corporate culture with multiple awards. Korea Management Association awarded us '4 years (2015 to 2018) of GSMA Family-friendly Management' in the Family-Friendly Management Division. We will continue our efforts to build a healthy and joyful workplace environment by safeguarding the value of human respect.

Talent Management

LG Display selects talented individuals who demonstrate strong passion, professionalism and teamwork based on the concept of an ideal employee that values individual job competency and competitiveness. We implement fair and equal talent management through advanced talent acquisition strategies and programs.

Talent Acquisition

Employee Values_ At LG Display, we find people who work to be No.1 in professionalism and teamwork based on a strong passion. Recognizing that the company's strength is determined by the strength of its individual employees, we focus our resources on securing top talents and helping them to reach their full potential.



Talent Development System_ Our talent development system focuses on improving the expertise and performance of our employees by organizing specialized training programs with a unique approach. We are committed to fostering human resources that will lead the global market through personalized training, leadership and global competency development programs.

IDP-based Competency Development_ IDP (Individual Development Plan) is a competency development program that focuses on the development of job expertise and a career roadmap, from a long-term perspective. This is the process of establishing a self-development plan based on the work assigned each year, and engaging in competency development activities by consulting with leaders. The consultations with team leaders help employees to align their needs with the corporate goals, and to take the initiative in developing their own competency and expertise. The IDP-based Competency Development activities also allow our employees to acquire leadership skills and expertise in the fields that are needed to achieve our organizational goals.

Corporate-wide Training System

Leadership		Basic		Specific Job	Global	
Leader	Business Man / Core Talents	LG WAY & LGD Core Values	Job Training	R&D Production Sales/Marketing Job Common SKILL	FSE	Internal Language Program
		New Employee Training	Common Competency			

IDP(Individual Development Plan)



Leadership Development_ Based on 'LG Display Leadership' and through the continuous sharing of it, we cultivate leaders and maximize our organization's performance while providing opportunities to evaluate and develop leadership skills, including Coaching & Reflection programs. In addition, by establishing a leadership evaluation and development process and applying feedback, we foster leaders in a consistent and efficient manner.

Expertise Development_ We have established talent development systems and personalized training programs in each area of our business to succeed in new and strategic businesses and lead the Fourth Industrial Revolution. Beyond this, we will continue to provide training programs with a focus on next-generation displays, such as training for big data and 'Display from the Perspective of Convergence.' As well, we provide integrated job competency improvement solutions while matching and providing development directions to support personalized development after diagnosing job performance capabilities and training programs, in order to boost the performance of new employees and those who have changed their jobs and enhance corporate-wide cooperation.

Talent Development

LG Display works to build the expertise of each employee by running various human resource development programs. Based on a recognition that the growth of its employees is the growth engine of the company, we seek to establish and implement a roadmap for the self-initiated capacity development of our employees.

Global_ To help employees working overseas adapt to local environments and perform at a high level, we have established talent development programs in the areas of language, leadership, local culture and job competency, as we expand our presence in the global market while supporting development and organizational culture programs for ISE-led corporate operation. To this end, we have established an HRD system and training programs at our headquarters, and designated account managers as part of our global HRD organization. In addition, we are developing and expanding training programs for ISE leaders and members, while providing HRD solutions to address business issues and developing HRD programs to build an ISE-led working culture for internal implementation.

Assessing and Improving the Organizational Culture

Our LG Way Survey is given to all LG Group affiliates, and its results are used to improve the organizational culture and achieve LG's ultimate goal of 'NO. 1 LG.' Based on our founding principle of 'LG Way,' we realize our management philosophies of 'Creating Value for Customers,' 'Human-centered Business Management' and 'Jeong-Do Management' to achieve our vision of becoming 'NO. 1 LG.' By putting the LG Way into practice, we can create a corporate culture that we are proud to be a part of. To maximize our work productivity and to build a strong working culture, we carry out the 'LGD Working Culture Survey' twice a year to check up on the culture of our workplaces, and work for continuous improvement.

Healthy Labor-Management Relation

LG Display recognizes that labor and management must grow together through cooperation to build a sound and advanced labor-management relationship. We will build a 'common good' that will enhance our corporate competitiveness and mutual growth, through continuous communication and cooperation based on trust and respect.

No. 1 Labor-Management System

By using the term 'Labor-Management Relations,' we stress the equality and horizontal relationship between employees and management, and pursue sustainable growth based on mutual trust and respect while maintaining a strong relationship, regardless of circumstances. To achieve our vision of 'common good for sustainable value creation' in line with our corporate philosophy and core values, we are committed to improving the quality of our employees' lives and contributing to the local community.



USR Activities

USR (Union Social Responsibility) Activities

At LG Display, we are committed to improving quality of life for our union members and leading a paradigm shift in the labor movement by actively engaging in USR activities as part of our efforts to fulfill our social responsibilities. By doing this, we keep our members satisfied with their jobs and gain a competitive advantage in the market, while creating shared values and building the reputation of the company and labor union.

Maintaining Internal Soundness (Corporate)

Missions	Objectives	2018 Performance
On-site Union Activities	<ul style="list-style-type: none"> Improve satisfaction levels and raise awareness in labor union activities Promote communication among union members Strengthen the role of union managers 	<ul style="list-style-type: none"> 827 on-site communication activities 3,424 consultations with union members
Prevention of Unethical Practices	<ul style="list-style-type: none"> Address unethical practices Strengthen the foundation 	<ul style="list-style-type: none"> 37 energy-saving activities On-site campaigns to prevent unethical practices
Enhancement of Management Partnership	<ul style="list-style-type: none"> Enhance on-site communication as a management partner Motivate boost in performance 	<ul style="list-style-type: none"> 312 executive communication activities & overseas company support activities 2018년 Union Award

Direction: Creating Shared Values (Society)

Missions	Objectives	2018 Performance
Diversification of CSR Activities	<ul style="list-style-type: none"> Create shared values for the local community Engage in global social contribution activities 	<ul style="list-style-type: none"> USR volunteer activities Talent development, local community support programs, CSR activities, etc.



Labor-Management Communication & Grievance Handling

At LG Display, we have a number of communication channels through which we can listen to our employees. In addition to the quarterly Labor-Management Council Meeting, we share our business status and areas of improvement through workshops for managers and monthly meetings. In addition, we have established a grievance-handling system to address issues such as sexual harassment, abusive behavior, violence and unethical practices in our workplace. To protect the identities of reporters and prevent retaliation, the grievance-reporting process is fully anonymous.

Office Workers Council 'Fresh Board'

At LG Display, we are improving our office workplace culture through Fresh Board (FB), which serves as a council for office workers. As of 2019, 117 employees are serving as members of FB, including 54 in Paju, 23 in Gumi, 27 in Twin, and 13 in Magok. These include staff and senior members of the organization, and their responsibilities are to facilitate communication with enthusiasm and a sense of duty. The FB listens to staff and senior managers, who make up 50% of the office workers, and represents their opinions when communicating with management. We propose and make improvements through quarterly corporate-wide FB council meetings and monthly meetings, while actively engaging in the internal organization culture and corporate social responsibility programs.

* USR (Union Social Responsibility): Social responsibility of union



Overseas USR* Volunteer Program

Since 2013, the LG Display Labor Union has engaged in volunteer activities in countries such as Vietnam, Cambodia and Mongolia as part of its USR program. In 2018, about 330 union members visited Kok Beng and Chranieng Elementary Schools in Siem Reap and conducted 10 relay volunteer activities to repair schools and make a clean environment for students over a period of 40 days. In addition, conducting free examination on eyes, total 573 people received eye-related medical treatments. Items for eye protection was supported, and free surgery was provided for those who need it, in cooperation with the relevant hospital.

Partners

SHARED GROWTH WITH SUPPLIERS

2018 Performance



Expanded Mutually Beneficial Technical Cooperation Fund to KRW 100 billion
KRW **178.7** billion



Rated **"outstanding"** in Win-win Growth Index for four consecutive years



2018 Shared Growth Agreement
1st-tier, 2nd-tier companies
59 companies

Importance of Reporting Issues

As competition between companies intensifies and interests in various fields of society become increasingly intertwined, companies are encountering limits to the extent to which they can grow on their own strength alone. A company can only secure corporate growth and sustainability when it pursues harmonious growth with various members of society, such as its partner companies and customers. For a company to grow together with its partner companies in multiple fields, communication and support activities are needed.

Challenges and Opportunities

Challenges

A company's competitiveness can decline if the competence of its partner companies is weakened, which can in turn cause the competitiveness of the overall industrial ecosystem to drop.

Opportunities

By creating mutually beneficial partnerships with partner companies, we can create an industrial ecosystem in which companies can grow in a virtuous cycle by generating corporate and social values.

Our Approach

Through its new mutually beneficial partnership system, LG Display strives to create an ecosystem based on horizontal relationships with all partner companies by expanding the scope of financial support, technical cooperation, medical welfare support and other kinds of support activities to second- and third-tier partner companies.



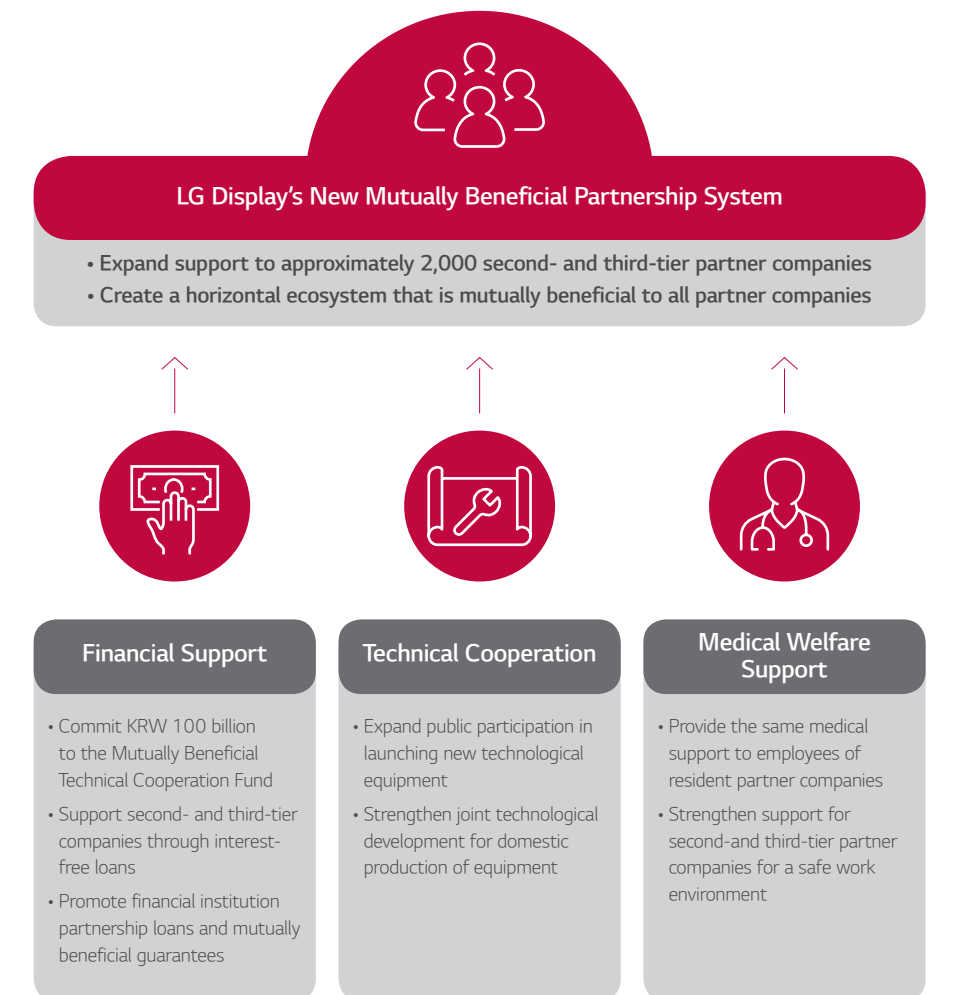
Supply Chain CSR

LG Display seeks to implement sustainability management in its supply chain. To promote the values of CSR in all supply chains, we have established a Code of Conduct, call for the fulfillment of corporate social responsibilities and conduct assessments of our partner companies. Beyond this, we will work to play a leading role in creating a culture of fair trade, in order to build sound and transparent trading relationships.

Creating a Culture with Suppliers

Introducing the New Mutually Beneficial Partnership System

With the aim of growing together with its partner companies, LG Display has established a mutually beneficial philosophy in which 'LGD's competitiveness is the competitiveness of its partner companies.' In particular, in 2017, we introduced a 'new win-win cooperation system' in order to eliminate the vertical network formed between the 1st, 2nd and 3rd tier partner companies, and to create a horizontal win-win ecosystem with all our partners. This win-win cooperation system is a new win-win cooperation paradigm that expands our win-win programs in the fields of finance, technology, and medical welfare to our second and third-tier suppliers, and enhances the sustainable competitiveness of our suppliers. LG Display is committed to creating a sustainable ecosystem.





Communication and Cooperation

Establishment of Communication Channels with Partner Companies

We pay close attention to the voices of our partner companies through various communication outlets, including the shared growth board/story and e-VOS on the shared growth portal (winwin.lgdisplay.com). The feedback gathered through such communication channels is reflected in our future shared-growth activities. We also communicate with our partner companies through offline channels such as the new year's kick-off meetings and end-of-the-year meetings, at which we share annual performance reports and discuss approaches to leading the future display market together.

Shared Growth Agreements between Partner Companies

LG Display actively promotes shared growth, through the shared growth agreements we have concluded with 73 first-tier suppliers. In addition, we strongly encourage shared growth agreements between our first-tier and second-tier partner companies, as a result of which 44 agreements between 10 of our first-tier and 44 of our second-tier partner companies have been concluded.

Win-win Payment System

In 2016, we introduced a win-win payment system to help our partner companies manage their funds in a stable manner. Unlike cash settlement with a fixed deposit date, our win-win payment system pays in the form of bonds, enabling easy liquidation and smooth access to funds for our partner companies. We have extended this system to our second and third-tier partner companies, and actively encourage their participation.

Industrial Innovation Campaign

Since 2013, LG Display has engaged in an industry innovation campaign, investing a total of KRW 5 billion over the past five years. Through this campaign, we help our second and third-tier partner companies carry out innovation activities by improving their work environment and production processes with the support of LG Display and its first-tier partners. In addition, we have carried out consulting in three major areas of production, management and technology to help optimize and devise innovative tasks considering the characteristics of each partner company. In 2017, we selected 22 tasks and provided KRW 0.77 billion, contributing to improvements in the manufacturing innovation capabilities of our partner companies.

Strengthening the Competence of Partner Companies

CSR Training & Seminar for Partner Companies

We organize training programs and seminars for CSR managers of our partner companies in order to promote their participation in CSR activities. In 2018, 58 CSR managers from our partner companies and our managers in HR, safety, and ethical practices joined the programs and were introduced to the background of establishing the CSR Code of Conduct and implementation plans, as well as detailed guidelines and self-checklist. The CSR Code of Conduct is also shared through the website.

Management and Education Support

LG Display provides free training to partner companies that lack the infrastructure for education and training, thereby helping them to strengthen their capabilities. We have extended this program from our first-tier to our second- and third-tier partner companies, while offering training courses such as the Six Sigma course to help enhance practical work skills. In addition, we provide other direct and indirect support to our partner companies, such as green consulting and safety and health improvement activities, to help strengthen their management capabilities.

Enhancing Technological Capabilities

LG Display has adopted "innovation from partner companies" as its core strategy, under which partner companies play a central role that goes beyond technological cooperation with LG Display. To this end, the company implements a variety of technological support programs, such as joint research and development, mutual growth activities and launching new technological equipment through public participation, thereby helping its partner companies enhance their technological capabilities.

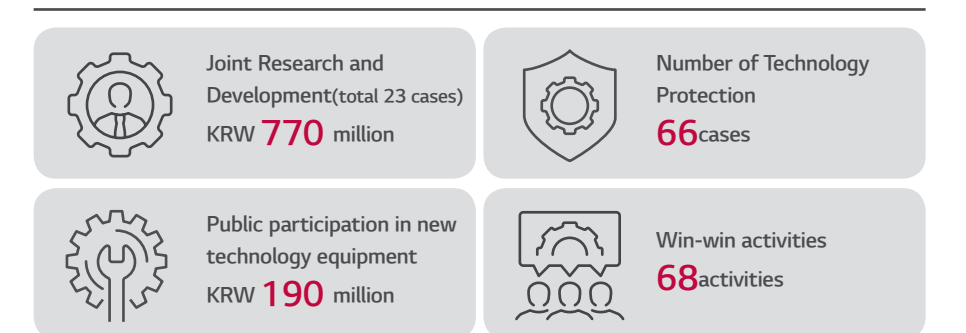
Improving Financial Soundness

LG Display helps its partner companies to improve their financial soundness through a range of financial supports. We facilitate the smooth operation of funds through direct forms of funding, such as interest-free loans from the Mutually Beneficial Technological Cooperation Fund and early settlement of holiday payments. In addition, we provide indirect support such as innovation corporate funds and mutual growth investment funds, as well as financial support using direct and indirect measures such as the provision of low-interest loan products through the operation of mutual growth funds, and supporting low-interest loans through agreements with financial institutions.

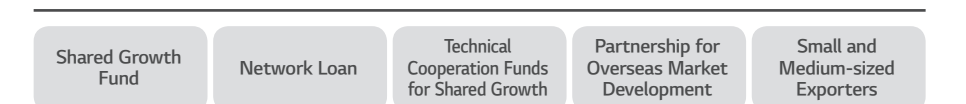
Strengthening Environmental Competence

To build a strong basis for green growth, LG Display has implemented green SCM consulting and carbon partnership certification projects. In 2017, we carried out green SCM consulting, helping five partner companies (cumulatively 77) to strengthen their competence in responding to climate change. Of our 62 partner companies, we have signed carbon reduction partnerships with all 59 of them, and continue to strengthen the environmental competence of our partner companies through ongoing support.

Technological & Financial Assistance in 2018



Financial Support in 2018



Communities

CO-EXISTING WITH LOCAL COMMUNITIES

2018 Performance



2018 Social Contribution Investments
KRW **99.7** billion



No. of employee participants
47,001 persons
(Volunteering + Donation: accumulative)
- Volunteering: 13,816 persons
- Donation: 33,185 persons



IT Development Center
Opening domestic **No. 47**
(No. 51 including overseas)
(Cumulative)

Relevance of Topic

In response to the increasing demand for corporate social responsibility, more companies are creating social value throughout their business practices, and engaging in strategic social responsibility activities for the public interest. As a result, it is crucial for companies to meet the demands of society and fulfill their social responsibility while maintaining communication with their stakeholders.

Challenges and opportunities

Challenges

Corporate activities that ignore the needs of the local community and society can have a negative impact on a company's reputation and credibility, causing criticism from their stakeholders.

Opportunities

By maintaining close communication with local communities and engaging in social responsibility programs, we can promote mutual growth with our local communities and have a positive impact on our reputation and credibility.

Our Approach

As a global company, LG Display engages in voluntary social contribution programs to promote mutual growth with the local communities in which we operate, and use our strengths and expertise where possible to address social issues. In addition to providing education opportunities for children and youth and organizing social contribution activities with the participation of our employees, we established the Social Contribution Committee at both a corporate-wide and regional level to meet the needs of local communities and the environment.



Strategic Social Contribution

At LG Display, we carry out social contribution activities under the slogan "Love Young Dream." To fulfill our social responsibility as a corporate citizen, we provide opportunities for children and youth in vulnerable populations to grow and reach their full potential, while encouraging our employees to volunteer in their communities. Where possible, we also use our strengths and expertise to address social issues.

Social Contribution System

LG Display Social Contribution System

Slogan	Love Young Dream		
Goal	1. Provide opportunities for children and youth in vulnerable populations to grow and reach their full potential 2. Promote organizational culture and fulfill social responsibilities through employee engagement		
Principle	Taking advantage of our strengths	Addressing social problems	Employee engagement
Strategy	<ul style="list-style-type: none"> Carry out activities in line with business operations 	<ul style="list-style-type: none"> Education and healthcare support for children and youth Mutual growth with local communities 	<ul style="list-style-type: none"> Sincere social contribution activities through employee volunteers
Activities	<ul style="list-style-type: none"> Establishing the IT Development Center Social contribution activities for eye health Provide opportunities to young and talented 	<ul style="list-style-type: none"> Volunteer activities USR activities LG Dream Fund Overseas volunteer activities 	

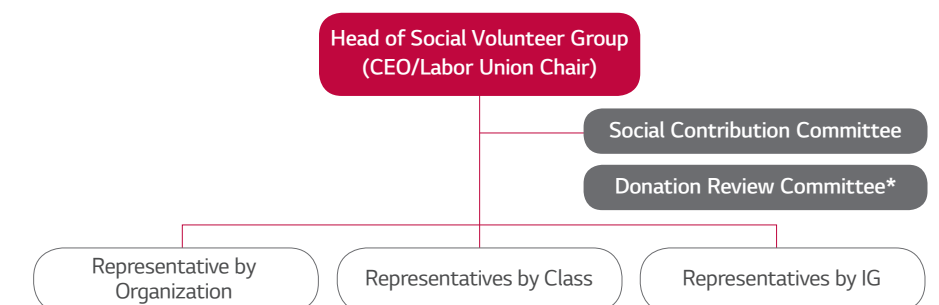
Social Contribution Organization

At LG Display, we have divided our Social Contribution Committee into the corporate and regional committees to increase the efficiency of our operations in this area. The Corporate Social Contribution Committee reviews the plans, directions and budget while the Regional Social Contribution Committee reviews regional business plans and their performance on a regular basis to raise awareness and promote corporate-wide social contribution activities and culture.

Donation Review Committee

In January 2018, we established the Donation Review Committee to ensure transparency, procedural fairness and legitimacy in our donation activities. The committee conducts an in-depth review of all donations of KRW 10 million or more, checking recipients and spending details in order to further improve transparency.

Organizational Structure of Social Contribution Volunteer Group



* Consists of Domestic Legal / Compliance Support Manager, Public Relations / External Cooperation Manager, Accounting Manager and Head of Management Support Group

Internalizing a Culture of Social Contribution

Benefits from social contribution participation

Programs	Details
CEO Reward	Volunteers are recognized and rewarded for their participation on an annual basis.
Volunteer Badge	Volunteers are selected, rewarded and announced each month based on their volunteer hours.
LG Display Honor's Club	Volunteers and donors are awarded and invited to various social contribution activities.
Social Contribution Portal	We use the Intranet to manage volunteer activities, donation requests and individual performances while measuring social contribution performance.
Financial Support for Volunteers	Financial support for transportation and gifts is provided to employees when they volunteer for affiliated volunteer organizations.

Corporate-wide Participation Program

The 'Relay Volunteer Program,' LG Display's special volunteer program, provides opportunities for employees who are unable to volunteer because of their busy schedule to participate in volunteer activities and organizational communication.

In addition, in 2018, we donated 601 pieces of suits/miscellaneous goods for young people preparing for their first job, and 1,671 items for infants and toddlers in low-income single-mother households. In addition, we donated OLED baby-feeding lighting and baby kits to 30 low-income single mothers, which involved volunteer efforts in all stages, from design to production. In this way, LGD is engaging in meaningful social contribution activities through talent donation.

Social Contribution Activities for Local Communities

Our employees working at the Gumi Plant volunteered to distribute a speed limit sticker attached to school-bag for elementary school 1nd/2nd grade students in both Gumi and Mungyeong areas as part of the 'Creating a Safe Gumi City,' and conducted traffic safety education. We are also making efforts to prevent crime in Gumi by installing crime prevention equipment (logojector, LED smart street lamps). At the Paju Plant, we established the LGDream School Program to provide middle and high school students work experience and employee mentoring. In addition to these programs, we engage in a number of social contribution activities based on the issues faced by the local communities in which we operate, working in cooperation with public safety agencies such as the local fire department and police stations.



What is LGD ★ VOLUNTEER?

Members: Every employee at LG Display who volunteers regularly!
Description: We present Volunteer Badges and gifts to employee volunteers based on their level of participation (As of 2013.1.1 -)

1 st Level 100 - 100Hr or more	2 nd Level 200 - 200Hr or more	3 rd Level 400 - 400Hr or more
4 th Level 600 - 600Hr or more	5 th Level 1000 - 1,000Hr or more	

★ Listed in the Hall of Fame



Localization of Social Contributions

At LG Display, we are committed to fulfilling our social responsibility with a focus on the areas that meet the needs of the local communities in which we operate. We pursue mutual growth with our local communities through long-term, practical social contribution programs.



Global Social Contribution Activities

Global CSR Volunteer Activities

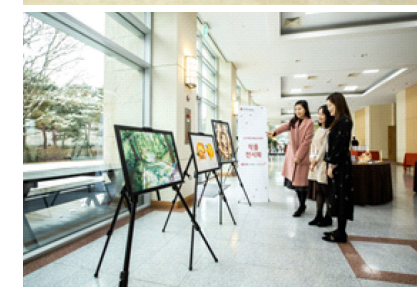
In October 2018, our Overseas Volunteer Group visited elementary schools in Quan Kinh Duong Haiphong, Vietnam for two weeks, and also engaged in various cultural diversity programs such as presenting traditional Korean and Vietnamese plays to provide the students with an opportunity to experience a different culture. The Group also visited the Hung Dao Elementary School, which has a high percentage of poverty-stricken families in the Anh Duong area, to repair the toilets, fences, and classrooms so that 700 students can receive education in a better environment.

Meanwhile, in Hai Duong Province, we provided volunteer ophthalmology and medical services at the same time, contributing to improving the eye health of local residents by carrying out 7,200 eye examinations and 26 cataract surgeries for low-income families.

Sharing Hope with Children and Youth

LG Display Hope Wing Club

As part of our efforts to help gifted students in arts, sports and science from low-income families to pursue their dreams, we established the 'Hope Wing Talent Development Program' with World Vision in 2011. Over the past eight years, we have sponsored 110 students, many of whom have won various competitions, been admitted to the Korean National University of Arts, or been selected as members of national teams. In 2018, 17 young students received support from the 'Hope Wing Talent Development Program.' This program offers significant encouragement to students by sharing their achievements over the past year, hosting dream hopes presentations, and holding exhibitions and performances.



Year-End Donation Campaign 'Christmas Miracle'

Introduced in 2010, 'Christmas Miracle' is our year-end donation campaign for children from low-income families in Seoul, Paju and Gumi. Every year, our employees dress up as Santa Claus and give Christmas presents to children. The number of children receiving presents has grown each year, reaching the cumulative total of 1,234 children till 2018, 100 children only in 2018.

LGDream Fund

With the LGDream Fund, we encourage monthly donations from employees for children from vulnerable populations. In 2017, we installed an 'Electronic Donation' kiosk at our business site in Gumi to promote voluntary participation by employees. In 2018, we are planning to install additional 'Electronic Donation' kiosks including at the Paju Business Center. About 30,000 employees participated in the donation campaign, raising KRW 178 million in 2018.



IT Development Center

As part of the IT development center project that aims to resolve the digital information gap for underprivileged children, LG Display's IT power plant construction project started with the first store in Gyeongbuk Gimcheon Immanuel Young Children's Child Care Center in 2008, opening a total of 51 centers, including 47 in South Korea and 4 overseas.

In 2016, we have supported seminar/lectures for all facilities to promote professional training. In 2018, we donated PC equipment and performed interior repair in five locations.

The IT Development Center is a center that provides activities with the latest IT education environment including high-tech PCs and eco-friendly interiors, to be built in children's welfare facilities. Giving these underprivileged children access to IT equipment will have a positive influence on their future self-reliance and stable employment. In addition, we are continuing to provide support after the establishment of these facilities, such as support fees for IT education programs and the retrofitting of aged facilities / IT equipment.

Eye Care Program

The World Health Organization (WHO) defines low vision as having eyesight of less than 0.05 to 0.3 or a field of vision less than 10 degrees. But in Korea, there has been little interest in supporting those affected by low vision, and systematic support for low vision patients is not available. Since 2008, LG Display has been working on a 'Blindness Prevention Campaign' for children with low vision who are at high risk of blindness in collaboration with Korea Blindness Prevention Foundation. This is the representative program of LG Display, taking into accounts of the characteristic of display industry.

First of all, the company is organizing the only personalized rehabilitation camp in Korea through this campaign, to help children with low vision adapt to real life, and help children with low vision to use their senses beyond sight through various experiences. In addition, the Eye Health Clinic (Program name: Chorongyi Eye Health Class is recognized as a program designed for children in elementary schools, with the goal of teaching children about the importance of eye health. Other than this LG Displays conduct free eye examination service every year for local people of poor global environments such as Vietnam and Cambodia.

The eye care program of LG Display has significant meaning in that it promotes the importance of the advanced prevention and it has been promoting various activities over 10 years as a national guardian of eye health.

Project	Recipient	Description
Chorong Eye Health Class	1 st /2 nd grade students	Musical lessons for eye care and eye health competitions
Camp for Children/ Youth with Poor Vision	Children/youth with poor vision	Camp for children/youth with poor vision and employee volunteer activities
Eye Surgery for Low-income Families	People with eye disease from low-income families	Support for the cost of eye surgery for low-income families
Free Eye Examination in Paju/Gumi	Local residents in Gumi/Paju	Free eye examination with ophthalmologists for local residents
Medical Eye Care for Overseas Countries	Residents in Siem Reap, Cambodia, and Hai Phong, Vietnam	Free eye examination and full financial support for eye surgeries UV protection sunglasses giveaway

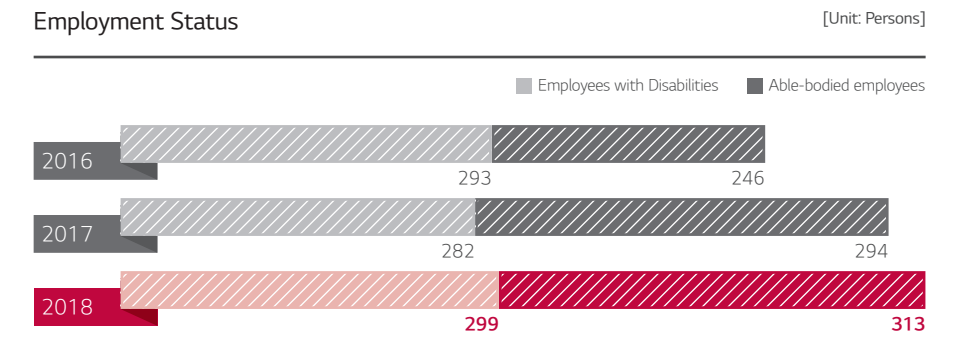


Nanumnuri

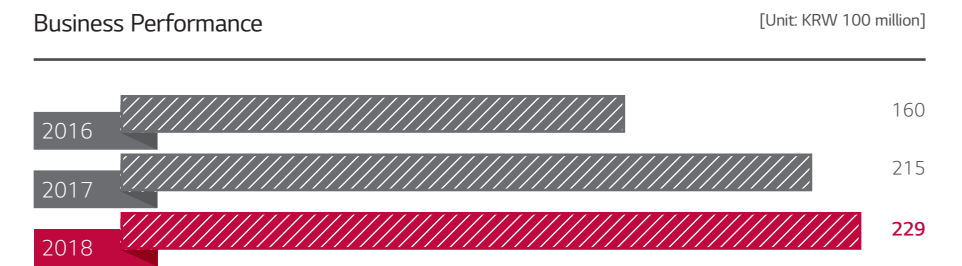
To expand the hiring of adults with disabilities, LG Display established Nanumnuri, which means 'Sharing the world with the disabled.'

Established in 2012, Nanumnuri provides cafe, health keeper, car wash, and sanitation and cleaning services in our Gumi and Paju plants. Nanumnuri employees communicate directly with LG Display employees, helping to overcome stereotypes and improve awareness of the disabled.

Employment Status



Business Performance



Business Scope

Cafeterias	Health Keeper	Steam Car Wash	Sanitation and Cleaning
Gumi (4 places) Paju (4 places)	Gumi (4 places) Paju (2 places) Seoul (2 places)	Gumi (1 place) Paju (2 places)	Gumi (4 places) Paju (6 places)

* As of December 2018

CARE PROGRAM for the Disabled

Health Promotion Program	Yoga, stretching, pilates, badminton, etc.
Hobby / Leisure Program	Bakery, rice cakes, crafts, pottery classes, etc.
Cultural Heritage Program	Exploring cultural heritage, visiting museums, watching theater / movies, safety experience, etc.
Kimchi / rice support program	Selecting priority group (50 persons from Gumi and Paju respectively) ⇒ 5kg of kimchi and 5kg of rice per person
Psychological Counseling (Rehabilitation Cycle)	Counseling ⇒ Psychotherapy (individual, group) ⇒ Job coordination (transfer arrangement) ⇒ Monitoring

Sustainable Structure

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Materiality Assessment

Overview of Materiality Assessment

At LG Display, we conduct a materiality assessment based on the level of stakeholder interest and impact on our business through international standard analysis, global benchmarking, media research, and stakeholder surveys. We identify, prioritize and review key sustainability management issues from the perspectives of our internal and external stakeholders, and select issues for the report based on the results. The identified issues are assessed in accordance with the GRI Standards Guidelines, and prioritized for final selection in order to ensure a balance in report contents.

Step 1. Developing the Issue Pool

Based on an international standards analysis, media research, global benchmarking and stakeholder survey, we created a pool of 51 issues.

Analysis of International Standards

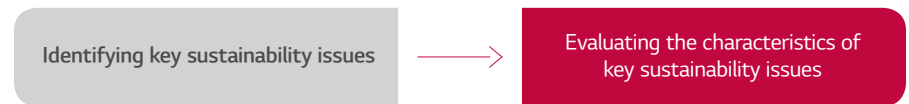
- Analysis of the requirements of international standards and identification of issues in relation to sustainability management
- Analysis of: GRI Standards, DJSI, ISO 26000, UN SDGs, RBA Code of Conduct, etc.

Media Research

- Research on media articles in 2018
- Media: daily newspapers and business magazines; e.g., Chosun, Joongang, Donga and Hankyoreh

Global Benchmarking

- Review the issues and sustainability practice of global competitors and leaders
- Analysis of global sustainability report trends
- Survey contents



Step 2. Materiality Assessment

Based on 51 identified issues, we conducted the materiality assessment considering the impact on LG Display and Stakeholder interests.



Impact on LG Display
Industrial benchmarking, company newsletter analysis, and reflection of internal stakeholder survey results

Stakeholder Interests
Media research, analysis of international standards, and reflection of external stakeholder survey results

Step 3. Selection of Material Issues

Based on the level of impact on LG Display and stakeholder interests, 9 relevant issues are selected.



No.	GRI Aspects	Issues	Affected Stakeholders					Impact on Business		
			Employees	Customers	Suppliers	Local Community	Shareholders & Investors	Cost	Market Share	Reputation
1	Local Community	Building a positive workplace culture		●		●				●
2	Employment	Creating economic value	●				●			●
3	Occupational Safety and Health	Strategic social contribution activities	●	●				●		
4	Indirect Economic Effect	Environmental risk analysis and management throughout the entire business process		●			●		●	
5	Economic Performance	Eco-friendly product development and certification	●	●			●		●	
6	Energy	Response to climate change				●	●			●
7	Strategy	Securing growth engines			●		●	●		
8	Indirect Economic Effect	Indirectly boosting the local economy		●			●		●	
9	Local Community	Preventive safety education and training			●	●				●

Corporate Governance

Composition of the Board of Directors

The Board of Directors (BOD) of LG Display consists of seven members: two executive directors, one non-executive director and four outside directors. There are three committees under the BOD: the Audit Committee, the Outside Director Nomination Committee, and the Management Committee.

Category	Name	Title	Term
Executive Director	Sang Beom Han	Representative Director, Vice Chairman and Chief Executive Officer	'18.3 - '21.3
	Donghee Suh	Chief Financial Officer, Director	'19.3 - '20.3
Non-executive Director	Youngsoo Kwon	Chairman of the Board, Vice Chairman of LG Co. Ltd.	'19.3 - '22.3
Outside Director	Chang-Yang Lee	Audit Committee, Professor of KAIST Business School	'19.3 - '22.3
	Byeong-Ho Lee	Professor with the Electrical and Computer Engineering Department, Seoul National University	'18.3 - '21.3
	Sung-Sik Hwang	Chair of Audit Committee, Professor with the Business School, Kacheon University	'18.3 - '21.3
	Kun-Tai Han	Member of Audit Committee, CEO of Hans Consulting	'19.3 - '22.3

※ As of December 2018

2018 Activities of the Board of Directors

Number of BOD meetings	8
Number of BOD resolutions	32
Attendance rate of outside directors	96.9%

Operations of the BOD

The Board of Director aims to ensure the interests of the company and its stakeholders and to ensure the sustainable growth of the company. The Board of Director resolves important decision-making processes and supervises executive directors and managements in accordance with related law and internal regulation. The company's management, including its CEO, reports major management issues such as management performance, prospects, and implementation tasks to the Board of Directors at least once a quarter. In the event of a key matter requiring approval from the Board of Directors, the Company holds a board meeting from time to time. In addition, in terms of transaction with special parties, the BOD oversees the management's business performance activities by reviewing the adequacy of transactions through methods such as fair value examination of market prices and alternative comparisons.

Subcommittee of Board of Directors

Under the Board of Directors, LG Display will establish three committees, namely the Audit Committee, the Outside Director Candidate Recommendation Committee and the Management Committee, to enhance management transparency and realize a reasonable governance structure. Each subcommittee manages various risks that may arise from management activities, including improving corporate governance.

Committee Title	Key Responsibilities	Members
Audit Committee	<ul style="list-style-type: none"> Audit of the company's accounting and key business operations Approval for appointment of an external auditor Assessing the operation status of internal accounting management system and checking the operation status of internal monitoring system Other duties stipulated in other regulations and articles of association of the company 	Sung-Sik Hwang, Kun-Tai Han, Chang-Yang Lee
Outside Director Nomination Committee	<ul style="list-style-type: none"> Recommendation of outside directors Verification of candidates for outside directors 	Youngsoo Kwon, Kun-Tai Han, Byeong-Ho Lee
Management Committee	<ul style="list-style-type: none"> Matters concerning the issuance of individual corporate bonds within the annual total cap. Matters concerning the installation, transfer, and abolition of overseas subsidiaries, branches, factories, offices and other important facilities of a certain size or less 	Sang Beom Han, Donghee Suh

Independence and Expertise of the BOD

At LG Display, we are committed to ensuring compliance with our legal obligations under the Commercial Act, and building a healthy corporate governance and transparent management system by separating the board chair and CEO positions. To ensure their independence, outside directors are nominated by the Outside Director Nomination Committee and approved by the board before being appointed at the General Meeting of Shareholders. To ensure more efficient and solid decision-making and professionalism, outside directors are also selected based on their expertise and experience in various fields, such as management, legal affairs, accounting, and engineering. As well, to ensure the independence of each committee, we maintain a higher ratio of outside directors than legally required, and ensure operation in accordance with their operation guidelines.

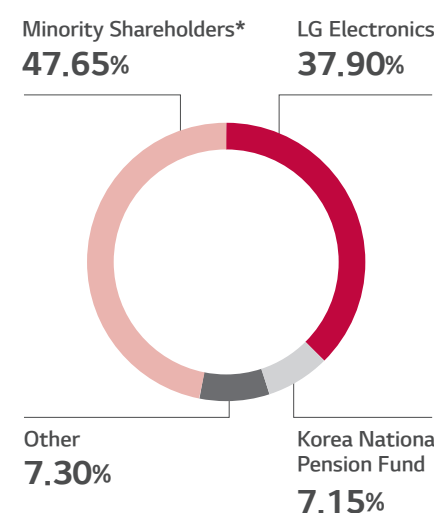
In addition, in order to raise expertise and responsibility of outside directors for the business management, the company hosts outside directors' workshop once in a year. The workshop is run in the way that external accounting corporation and the company's directors present the status of major business, industrial technology and information on manufacturing processes, investment direction, change in accounting standards, shift the directors; role according to amended regulation, and feedback on investment; the outside directors ask question and discuss the issue. Understanding of the display industry, technology and manufacturing, and the business is promoted through visit to domestic and oversea business sites and participation to display exhibition if necessary.

Evaluation and Remuneration of the BOD

The remuneration of the Board of Directors and executive officers is determined based on their performance, which is evaluated in line with our mid-to-long-term plans and goals. The directors are paid within the limit set at the General Meeting of Shareholders

Communicating with Shareholders

At LG Display, we disclose quarterly, semi-annual, and annual earnings reports through our website and DART (Data Analysis, Retrieval and Transfer) of the Financial Supervisory Service at the General Meeting of Shareholders where we report our business performance to the shareholders. Moving forward, we will maintain close communication with our shareholders and reflect their expectations and demands in our business practice.



* Shareholders holding less than 1% of the total shares

Governance Evaluation Rating




Year	Evaluating Institution	Integrated Grade	Environment	Society	Governance Structure
2018	Korea Corporate Governance Service	A	A	A+	B+
2017	Korea Corporate Governance Service	A	A	A	B+
2016	Korea Corporate Governance Service	B+	B+	A	B+
2015	Korea Corporate Governance Service	B+	A	B+	B+

Jeong-Do Management

Behavior Pattern of LG Way

Jeong-Do Management is our own code of conduct known as the LG Way, through which we promote fair competition and sustainable growth. The LG Way involves not only ethical practice but also a high level of competency that leads to strong performance. The true spirit of Jeong-Do Management is to enhance our competitive advantages, while maintaining the honor and pride of LG.

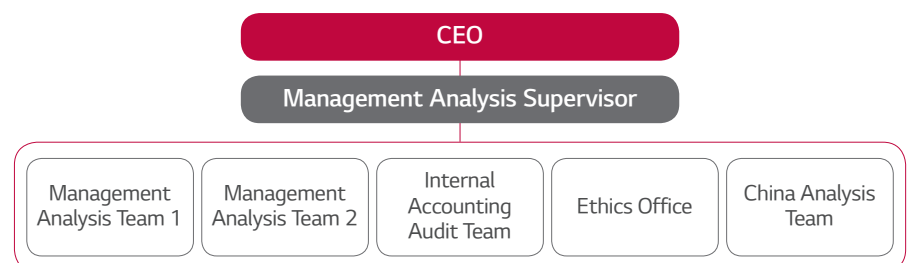
LG Way

<p>Vision</p>	<p>No. 1 LG</p> 	<p>LG's vision is to become the market leading company with broad market recognition</p> <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 25%;">LG, Trusted by customers</td> <td style="width: 25%;">LG, Feared and admired by competitors</td> <td style="width: 25%;">LG, Attractive to investors</td> <td style="width: 25%;">LG, Admired by the best and brightest people</td> </tr> </table>	LG, Trusted by customers	LG, Feared and admired by competitors	LG, Attractive to investors	LG, Admired by the best and brightest people
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<p>Behavior Pattern</p>	<p>Jeong-Do Management</p> 	<p>It is the LG way to compete and win through continuous capability development based on ethical management</p> <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 33%;"> <p>Truthfulness To work transparently according to our principles and standards</p> </td> <td style="width: 33%;"> <p>Fair Treatment To provide opportunities fairly, and treat partners fairly in all trades</p> </td> <td style="width: 33%;"> <p>Fair Competition based on Capacity To develop the capacity to compete fairly and win</p> </td> </tr> </table>	<p>Truthfulness To work transparently according to our principles and standards</p>	<p>Fair Treatment To provide opportunities fairly, and treat partners fairly in all trades</p>	<p>Fair Competition based on Capacity To develop the capacity to compete fairly and win</p>	
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<p>Management Principles</p>	<p>Creating Value for customers, Respecting Human dignity</p> 	<p>The purpose of LG's business activities and a basis for its operation</p> <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 50%;"> <p>Creating value for customers Value customers, Provide practical value, creation through innovation</p> </td> <td style="width: 50%;"> <p>Respecting Human dignity Creativity and free will, Value people, develop abilities and maximize their utilization, Performance-oriented culture</p> </td> </tr> </table>	<p>Creating value for customers Value customers, Provide practical value, creation through innovation</p>	<p>Respecting Human dignity Creativity and free will, Value people, develop abilities and maximize their utilization, Performance-oriented culture</p>		
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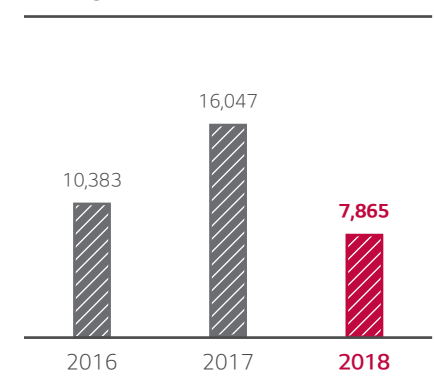
Jeong-Do Management Organization

For practicing Jeong-do management throughout the entire company, LG Display established governance upon Jeong-do Management. The ethics office conducts quality management education and promotion activities for prevention and investigation of irregularities and corruption identified by reports or diagnoses. Management Diagnosis Team 1 and 2 carries out business process diagnosis and management consulting, while internal accounting diagnosis team performs audit committee support to enhance management transparency and check financial risks in advance. Thus, the teams are contributing to quality management risk management and enhancing competitiveness of the company. In addition, the company operates a separate Chinese diagnosis team and conducts investigations into irregularities and corruptions in China, diagnoses processes, and customized education in China, and fosters awareness of Jeong-do management and its culture by employees of Chinese companies.

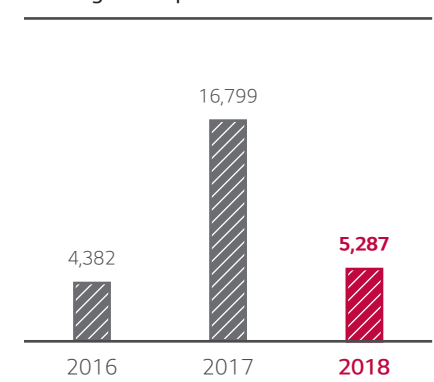
Jeong-Do Management Organizational System



Jeong-Do Management Training Hours [Unit: Hours]



Jeong-Do Management Training Participant [Unit: Persons]



* In 2017, the number of education personnel increased due to e-learning education

Unethical Practices that should be reported through Cyber Sinmungo

1. Kickbacks from stakeholders
2. Participation in holding unfair stocks of partner companies
3. Lack of transparency in selecting suppliers
4. Illegal and unlawful use of corporate assets
5. Documentation - calculation manipulation and false reports
6. Violations of the Code of Ethics

Strengthening the Internalization of Jeong-Do Management

LG Display conducts Jeong-Do_ LG Display conducts Jeong-Do management education at the company level in order to cultivate and instill an in-depth knowledge in its employees. The company strives to practical internalization of Jeong-do Management by conducting collective education to new and experienced workers, new posts, overseas corporates senders and local employees, and conducting customized education and education for supervisors in consideration of the works' characteristics with the regular online education program for all employees.

Pledge to Practice Jeong-Do Management_ Each year, our executives and employees make a pledge to practice Jeong-Do management to ensure that they remain fully aware of the importance of Jeong-Do management while engaging in business with customers, partner companies or competitors. The pledge calls for compliance with ethical norms and the practice of Jeong-Do management when carrying out one's work at LG Display. As of March 2019, 29,794 executives and employees have taken the pledge to practice Jeong-Do management. For partner companies, a representative of the company is required to sign the pledge of compliance with every contract in order to confirm their will to practice Jeong-Do management.

Jeong-Do Management Survey_ To assess the extent to which our employees put the LG Way into practice in their everyday work and establish measures to prevent unfair practices by analyzing the results of Jeong-Do management awareness evaluations, we conduct an annual company-wide Jeong-Do management survey. We also include questions related to Jeong-Do management in our organizational survey to further awareness of Jeong-Do management among our employees.

Jeong-Do Management Cyber Sinmungo_ We operate the Jeong-Do Management Cyber Sinmungo (complaint reporting system) in order to prevent violations of the Code of Ethics, and implement Jeong-Do management by carrying out anti-corruption activities. Reporters who use the system and the contents of their report are safely protected by a reliable security system, and strict measures are taken to ensure reporters are not subject to any disadvantages. When reporters are subject to disadvantages, we ensure full restitution or protection measures equivalent thereto. In addition, we have created a KakaoTalk account named 'lgdsinmungo' to make it easier for employees to report fraudulent acts. To encourage reporting and root out fraudulent acts, we have a reward system for employees and the general public who make reports.

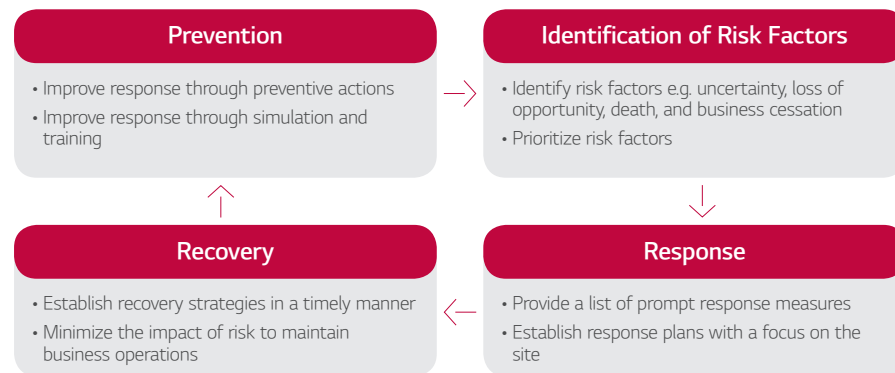
Promotional Activities for Jeong-Do Management_ LG Display carries out a number of promotional activities on an ongoing basis to ensure that its employees clearly understand that putting Jeong-Do management into practice is not a matter of choice but one of necessity. Such activities include producing promotional materials such as corporate journals, blogs and newsletters, as well as conducting quizzes and events to raise employee participation. Since 2015, we have distributed the Jeong-Do Management Newsletter published in local languages in various parts of China, to share the value of our Jeong-Do management and to promote an ethical awareness among local employees. In addition, we have developed a Jeong-Do management app to make it easier for our employees to access the LG Code of Ethics.

Integrated Risk Management

Building an Integrated Management System

Corporate-wide Risk Management_ At LG Display, we manage both internal and external risks through a corporate-wide risk management process, which we use to identify critical risk factors based on their probability of occurrence and impact on our business, and take necessary preventive and responsive measures in a timely manner.

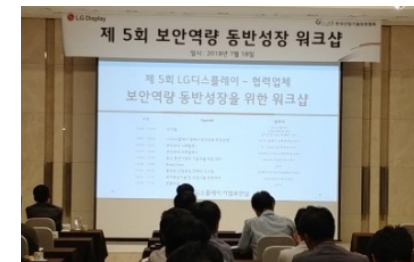
Risk Management Process



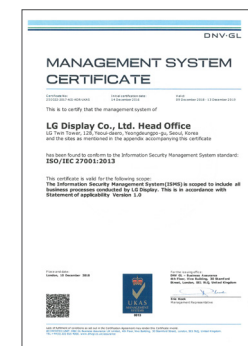
Risk Classification & Areas of Response_ We classified risk into 7 Areas of Response and 14 Critical Risks, and established a scenario-based risk management manual to effectively deal with risk situations.

Areas of Response	Critical Risk	Identification of Risk Factors and Impacts
Production Interruption	<ul style="list-style-type: none"> Utility supply interruption (electric power) Logistics interruption 	Reliance on a limited number of suppliers for parts or dramatic increase in demand for display may cause problems in the production and procurement of raw materials. Logistical interruptions can delay production and supply.
Information Security	<ul style="list-style-type: none"> National core technology leakage Business secrets leakage Personal information leakage 	Leakage of internal information such as business secrets causes the weakened market competitiveness; when it comes to leakage of national core technology information, customer information, and personal information, legal punishment and liability for compensation pursuant to the contract may also be imposed. In addition, Repeated incidents of information leakage can lead to a loss of trust from customers and society, which can have a serious impact on the sustainability of the company.
Information System Failure	<ul style="list-style-type: none"> Information system Shut-Down Hacking/Virus 	Cyber infringement (e.g. hacking/virus) and network failures may not only cause direct financial loss but also damage our reputation and credibility, resulting in the loss of business opportunities.
Industrial Disasters with casualties	<ul style="list-style-type: none"> Massive accidents with casualties Industrial disaster Outbreak of contagious disease 	Industrial disasters at our business sites and our suppliers as well as natural disasters may cause a shortage in raw materials, parts and manufacturing facilities. For this reason, we manage our supply chain to prevent this type of risk.
Damage to production facilities	<ul style="list-style-type: none"> Fire/explosion 	Fire and explosion in the production infrastructure can cause catastrophic damage to the local community, as well as our workplace. For this reason, countries around the world emphasize the importance of preventive measures. We maintain strict supervision and oversight at all times.
Environment/Health	<ul style="list-style-type: none"> Gas/Chemical leak in factory Environmental pollution 	Our manufacturing process involves hazardous chemicals, and produces chemical and other types of waste and wastewater, creating the risk of chemical leakage. For this reason, we conduct safety training and ensure full compliance with the laws when it comes to the disposal of chemical substances.
Conflict	<ul style="list-style-type: none"> Internal conflict (strikes/sabotage/walkout) External conflict (mass claims) 	We have a collective bargaining agreement with the labor union and negotiate with the union once a year. If a labor conflict arises that worsens relations with our workers to the point that it leads to sabotage, it may have a major impact on our business performance.

Information Security



The 5th Security Capability Shared-growth Workshop



Acquired ISO27001 Certification

Information Security Management System

At LG Display, we make corporate-wide efforts to protect not only our own trade secrets but also national technologies, personal data and customers' information for our stakeholders. We have built an information security management system that meets the international ISO 27001 standard, and undergo a certification process each year to maintain its effectiveness. In addition, we conduct real-time security control all year long to respond to cyber-attacks such as malicious code and hacking while checking and addressing vulnerabilities in our IT system.

No.1 Partner, No.1 Security_ We have implemented a special security enhancement support program to help our key suppliers maintain a high level of security and strengthen their security capabilities (ongoing since 2014).

In addition, we provide security compliance guidelines for cooperation with LG Display and provide support to key suppliers to manage key information that each supplier is responsible for, paying attention to prevent leakage of key technology information through suppliers.



Security Awareness_ We have announced our 'Information Security Management Policy' to share our CEO's commitment to information security, while conducting security training and promotion to raise awareness among our employees. The annual security training program is carried out with a focus on security policy and compliance, and visitors are required to take online security training sessions on procedures before visiting our business sites. In addition, the second Wednesday of every July is designated as 'Information Security Day,' at which various security related programs are conducted to help build a company-wide consensus on the importance of security. Meanwhile, activities such as promotion of security policies through internal posts, and idea contests are organized as part of our efforts to create a security culture.

Information Security Policy



Every employee who has access to our information is required to comply with security procedures and protect information at all times.

We maintain a reasonable level of control and investment for security.

We help all parties in our supply chain maintain the same level of security as our own.

We recognize information security as an essential part of our business operations, and observe the following principles to maintain our business practice and build trust, both within and outside the company.

We create a healthy security culture through training, inspection and communication.

We ensure full compliance with legal and contractual security requirements.

ESG Fact Book

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Response to Conflict Minerals*

* Conflict minerals generally include tantalum, tin, tungsten, and gold (mined in an African conflict zone) that have directly or indirectly contributed to the financing of armed groups responsible for human rights violations and the exploitation of child labor.

* Responsible Minerals Assurance Process

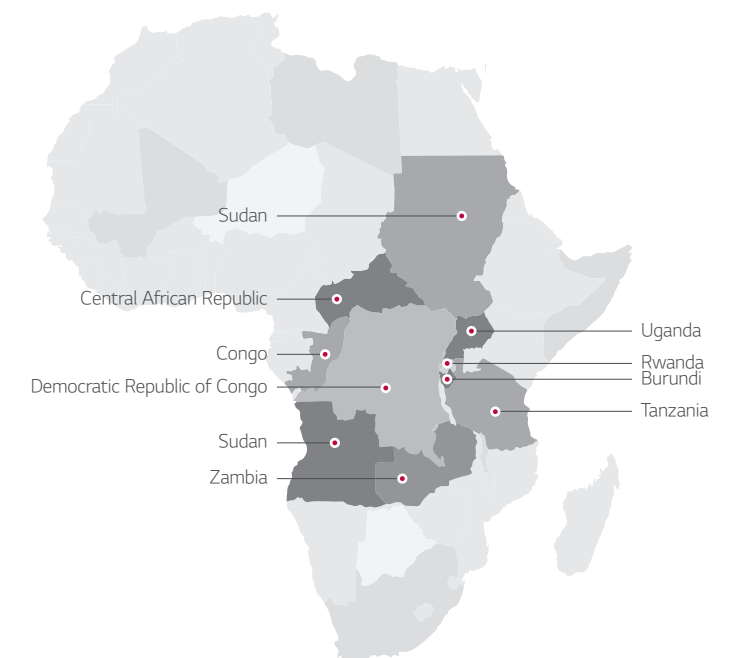
Conflict Mineral Usage Status

Of all the products (TV, Commercial, Monitor, Laptop, Mobile, Auto Display), 100% of the first partners' CMRTs were acquired except those whose transaction was stopped, the company carried out improvement analysis through consistency/trust review and risk analysis in case of a risk. In addition, it has been confirmed that the number of smelters used in the supply chain totaled 256, in the case of a new partner's risk, including restrictions on company registration.

Major Activities for Conflict Minerals

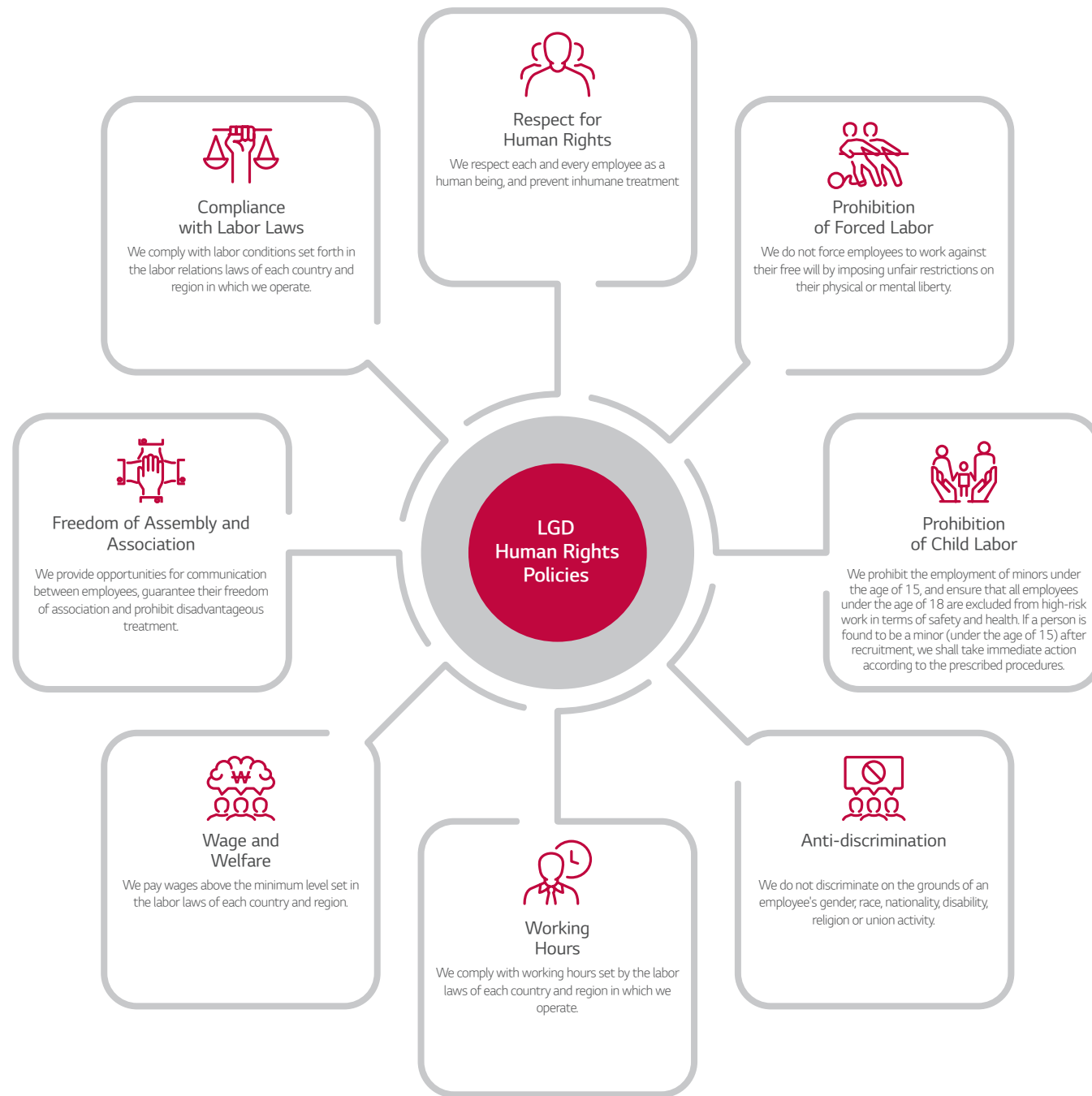
Response to Conflict Minerals_ At LG Display, we take a number of measures to ensure that we acquire minerals from suppliers that are free from any conflict in their supply chain. First, we have established detailed procedures to prevent the production of conflict minerals that are linked to armed groups in the area, and have clarified the roles and responsibilities of each department. Furthermore, to investigate the use of conflict minerals by suppliers, we ensure full compliance with international guidelines and standards while making reasonable efforts to identify the origin of all minerals used in order to avoid dealing with suppliers who violate human rights and cause conflicts.

Plans for future_ In 2019, LG Display will steadily strive for the supply from smelters free from the conflict as follow. The company will increase awareness of conflict mineral regulation through and training on supply chain, and will endeavor to prevent the use of conflict minerals in the supply chain by inducing smelters to participate in RMAP*. Through cooperation with customers, business partners, the government and the academia the company will actively take part in the regulation against the use of conflict minerals, and make efforts to ensure that not only the Democratic Republic of Congo and nine other countries around it, but also the smelters that cause disputes and human rights abuses in the supply chain are not involved in the business.



Human Rights Management

LG Display complies with the UN Declaration of Human Rights and other standards and regulations on labor and human rights of international organizations, including the International Labor Organization (ILO). Based on our management philosophy of respect for human dignity and the spirit of Jeong-Do management, we have established human rights guidelines that cover the work environment, guarantee of freedom and respect for human dignity. Moving forward, LG Display will respect the human rights of its constituents and fulfill its role as a global corporate citizen.



Tax Policy

Tax Management Activities

As part of our effort to take a proactive approach to tax risks, LG Display reports its tax practices to the Audit Committee under the Board of Directors and management according to the type of tax and by importance through a tax management process. To maintain compliance with tax laws and regulations, we define the responsibilities and duties related to tax reporting and payments while assigning the work to a dedicated department. In addition, we have improved our understanding of tax affairs through continuous personnel training on computer systems. For important tax reports, we make sure to fulfill our obligations as a taxpayer by consulting with an external accounting firm. Furthermore, our experts deal with the tax authority when it comes to uncertain tax regulations and individual matters with a high level of risk.

Overseas Tax Obligations

For overseas tax payments, we observe the same level of tax payment processes as domestic business sites and fulfill our duties as a taxpayer under local tax laws. In addition, we follow the OECD Guidelines and local tax regulations when it comes to the transfer price*.

*Transfer price: a price applied for the transfer of raw materials, products or services between enterprises under common ownership or control.

Tax Deduction for Research and HR Development Costs

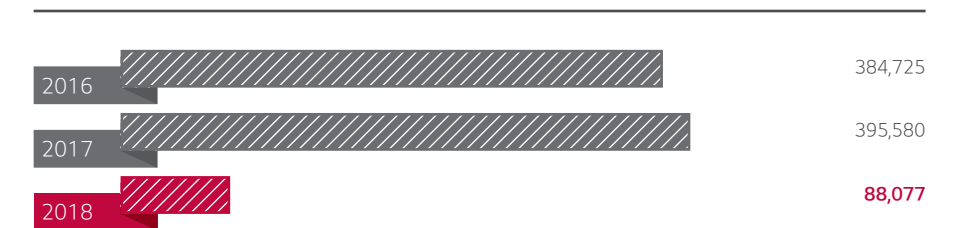
The tax authority uses a tax credit system to promote investment and research and development by Korean companies. Tax credits are made mainly within a certain amount of taxable income, and the scope of tax credits is determined by the future taxable income and its amount. We make large-scale investments in our facilities and R&D projects, and receive a considerable amount of tax credits as a result.

Disclosure of Tax Information

LG Display discloses corporate tax information and payment details through DART (Data Analysis, Retrieval and Transfer system) of the Financial Supervisory Service. Information such as sales, current net profit and corporate tax is disclosed in the notes of the consolidated financial statements included in our business report.

Corporate Tax Payment

[Unit: KRW 1 million]



Economic Performance

R&D Investment Cost

Category	Unit	2016	2017	2018
R&D cost	KRW 1 million	1,423,247	1,911,690	2,064,119
R&D-to-sales ratio*	%	5.4%	6.9%	8.5%

* Estimated based on total R&D expenditure before deducting government subsidies

Government Subsidy

[Unit: KRW 100 million]

Category	2016	2017*	2018
Government subsidy	169.5	21.7	19.8

*The Government project ended in 2017

Financial Statements

[Unit: KRW 1 billion]

Category	2016	2017	2018
Assets	24,994	29,160	33,176
Liabilities	11,422	14,178	18,289
Capital	13,462	14,981	14,887

Financial Performance

[Unit: KRW 1 billion]

구분	2016	2017	2018
Sales	26,504	27,790	24,336.5
Cost of sales	22,754	22,424	21,252
Gross profit on sales	3,749	5,366	3,085
Operating Profits	1,311	2,462	93
EBITDA	4,333	5,676	3,647
Net income before tax (loss)	1,316	2,333	-91
Net Profit (loss)	932	1,937	-179

Social Performance

Employee Status

[Unit: Person]

Category		2016	2017	2018
Domestic	Male	23,557	25,109	24,469
	Female	8,453	8,226	5,899
	Subtotal	32,010	33,335	30,368
Overseas	Male	10,678	12,969	17,091
	Female	7,665	8,664	10,969
	Subtotal	18,343	21,276	28,060
Total		50,353	54,611	58,428
Percentage of female employees (%)		32.0	30.9	28.9

* Employee data is current as of December 31, 2018

New Employment and Employee Turnover Rate

[Unit: Persons]

Category		2016	2017	2018	
New employment	Office	Without job experience	515	1,150	634
		With job experience	72	181	93
	Production line	Without job experience	19	684	-
		With job experience	-	1	-
Turnover rate (%)		3.2	3.1	11.7	

Minority Rate

[Unit: Persons]

Category		2016	2017	2018
Employees with disabilities (including Nanumnuri)	No. of Persons	668	756	752
	Percentage (%)	2.1	2.3	2.5
Patriots and veterans	No. of Persons	354	355	333
	Percentage (%)	1.1	1.1	1.1

Rate of Employees Subject to the Labor Union and Collective Bargaining

[Unit: Persons]

Category	2016	2017	2018
Number of labor union members	21,125	21,219	17,954
Number of eligible employees	32,010	33,335	30,799
Membership rate (%)	66.0*	63.7	58.3

* Membership rate in 2016 is different from in the previous report due to the change in the number of employees

Number of Employees Covered by the Corporate Pension Plan [Unit: Person]

Category	2016	2017	2018
Defined Benefit (DB)	31,300	32,102	29,502
Defined Contribution (DC)	26	59	128

Employee Training Hours and No. of Trainees for the Human Right Policy and Procedures [Unit: Persons]

Category				2016	2017	2018
Training Hours	Group training	Prevention of sexual harassment	Hours	30,800	183	19,335
		Others		3,680	4,518	1,321
E-learning	Prevention of sexual harassment		Hours	1,420	30,520	12,501
No. of trainees	Group training	Prevention of sexual harassment	Persons	30,800	183	19,335
		Others		2,517	1,907	607
E-learning	Prevention of sexual harassment		Persons	1,420	30,520	12,501

*This includes subcontract law and fair trade training

Number of Employees who received regular performance evaluation [Unit: Persons, %]

Category	2016	2017	2018
Employees subject to regular performance evaluations and career development assessments	30,939	30,405	28,468
Percentage of employees subject to regular performance evaluations and career development assessments	94.3	90.1	94.3

Use of Parental Leave [Unit: Person]

Category	2016	2017	2018
Employees on parental leave	1,255	1,381	1,482
Employees returning to work after parental leave	876	724	935
Employees working for 1 year after parental leave	286	389	452

Disaster Rate [Unit: Person]

Category	2016	2017	2018
Disaster rate*	0.040	0.066	0.032
Occupational disease	0	0	0

* Disaster rate = (no. of victims / no. of workers) X 100 Conduct accident management of suppliers from 2016

Number of Complaints Received through Official Grievance Channels, related to social impact [Unit: Cases]

Category	2016	2017	2018
No. of complaints related to social impact	82	93	69
No. of complaints under resolution	-	-	-
No. of complaints resolved	82	93	69

* Social impact: sexual harassment, bullying, violation of human rights, etc.

Percentage of Expenditure on Local Suppliers [Unit: %]

Category	2016	2017	2018
South Korea	75	75	77
China	63	66	63

Social Contribution Investment and Participation*

Category		Unit	2016	2017	2018	
Social Contribution	Expense for social contribution**	KRW 1 million	24,560	19,893	9,974	
Participation of social contribution	No. of Social Contribution	Volunteering	Cases	2,871	2,785	1,521
		Donation		41	48	63
	No. of participants (some participants may be counted more than once)	Volunteering	Person	32,192	30,520	13,816
		Donation		6,512	10,000	33,185
	LGDream Fund***	KRW 1,000,000	136	137	178	

* LG Display has never made donations to specific organizations or political parties.

** This is calculated as the total social contribution-related expense, which includes corporate donations, social contribution fund and goods.

*** The total amount of donations collected through employees' voluntary donations via the in-house fundraising system.

Environmental Performance

Raw Material Use (Domestic)

Category	Unit	2016	2017	2018
Backlight	1,000 pieces	215,171	187,724	147,565
Glass	m ²	99,591,208	98,747,370	99,371,189
Polarizer	1,000 pieces	583,968	536,634	478,704
Drive IC	1,000 pieces	1,151,032	1,203,277	1,167,762
Liquid Crystal	kg	132,783	133,760	128,796

Total Water Intake by source (Domestic)

[Unit: ton]

Category	2016	2017	2018
Water for industrial use	71,019,510	72,397,430	60,831,865
Water for living	1,669,791	1,643,386	1,578,977
Underground Water	359,301	270,002	278,835
Subtotal	73,047,602	74,300,818	62,689,677

Rate of Water Use (Domestic)

Category	Unit	2016	2017	2018
Amount of use of recycled water	ton	106,992,416	109,828,429	126,805,654
Reuse Rate*	%	146	148	165

*Rate of using recycled water=Amount of use of recycled water / (water for industrial use + water for living + underground water) x 100

Emission of Air Pollutants (Domestic)

[Unit: kg/yr]

Category	2016	2017	2018
NOx	36,458	50,714	61,024
SOx	16,613	51,405	42,841
Dust	72,838	93,478	98,585

Emission of Water Pollutants (Domestic)

[Unit: ton/d]

Category	2016	2017	2018
BOD	25.6	26.5	26.5
COD	9.7	13.6	14.0
SS	7.0	6.9	5.9

Waste Emission and Recycling Rate (Domestic and Overseas)

Category	Unit	2016	2017	2018	
Domestic	Hazardous Waste	Treatment	747	2,475	2,856
		Recycling	80,015	94,041	105,641
	General Waste	Incineration	1,144	1,094	933
		Reclamation	4,215	1,914	523
		Recycling	33,867	42,811	43,835
	Marine Reclamation	-	-	-	
Subtotal		119,988	142,335	153,789	
Recycling Rate	%	94.9	96.1	97.2	
Overseas Operation (China)	Hazardous Waste	Treatment of hazardous waste	11,905	9,672	10,101
		Recycling	10,694	13,174	14,011
		Other	90	-	-
	General Waste	Incineration	500	3,331	2,840
		Reclamation	4,471	6,558	2,863
		Recycling	21,405	14,156	22,702
Subtotal		49,055	46,891	52,517	
Recycling Rate	%	65.4	58.3	69.9	

Energy Unit (domestic and overseas)

Category	Unit	2016	2017	2018
Energy Consumption	TJ	70,320	63,451	84,934
Production Performance	Glass ceiling	8,996	9,262	9,428
Energy Unit	TJ/Glass ceiling	7.8	6.9	9.0

Energy Use (domestic and overseas)*

[Unit: TJ]

Category		2016	2017	2018	
Domestic	Direct Energy	LNG	1,051	1,274	1,272
		Bio-energy	-	-	-
		Others	231	196	207
	Indirect Energy	Electricity	58,896	61,691	62,805
		Steam	245	299	12
	Subtotal		60,423	63,451	64,296
Overseas **	Direct Energy	LNG	122	224	282
		Bio-energy	-	-	-
		Others	-	17	3191
	Indirect Energy	Electricity	6,899	11,869	16,931
		Steam	90	100	233
	Subtotal		7,111	12,209	20,637

* Energy usage is based on the specification standards of the 'Greenhouse Gas Energy Target Management System'.

** For overseas subsidiaries, it is the sum of emissions figures in China and Poland (energy consumption, greenhouse gas emissions)

※ Energy usage may be partly different from the figures in the specification due to rounding

Amount of Greenhouse Gas Emission (domestic and overseas)*

[Unit: tCO₂eq]

Category		2016	2017	2018
Domestic	Scope1	3,229,772	3,318,165	3,658,118
	Scope2	2,861,844	2,997,639	3,037,030
	Subtotal	6,091,611	6,315,796	6,695,140
Overseas	Scope1	26,961	25,410	45,770
	Scope2	876,248	1,090,646	1,422,959
	Subtotal	903,209	1,116,056	1,468,729

* GHG emissions are based on the 'Greenhouse Gas Energy Target Management System'.

** Some digits may be different from the subtotal due to rounding

Scope 3 Amount of Greenhouse Gas Emission

[Unit: tCO₂eq]

Category		2016	2017	2018
Employee business trip		6,279	6,814	4,601
Product Delivery	Shipment	4,523	3,943	2,017
	Import	1,877	1,912	1,120
Purchased Products and Service		448,177	554,668	331,825
Processing of sold products		45,831	72,392	55,625

Amount of Greenhouse Gas Reduction (Domestic)

[Unit: tCO₂eq]

Category	2016	2017	2018
Domestic Places of Business	1,450,656	1,321,515	1,279,626

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GRI Index

GRI-102 : General Disclosures

Topic	Standard	Indicators	CASS-CSR 3.0	Page
Organizational Profile	102-1	Name of the organization	P4.1	5
	102-2	Activities, brands, products, and services	P4.2	14-17
	102-3	Location of headquarters	P4.1	2
	102-4	Location of operations		10-11
	102-5	Ownership and legal form	P4.1	64-65
	102-6	Markets served	P4.4	10-11
	102-7	Scale of the organization		10-11, 75
	102-8	Information on employees and other workers	P4.5, S2.1	75
	102-9	Supply chain	M3.5	12-13, 50-53
	102-10	Significant changes to the organization and its supply chain	P4.7	2
	102-11	Precautionary Principle or approach		68
	102-12	External initiatives	G1.2, E1.3	22-23, 31, 71
	Strategy	102-13	Membership of associations	P4.6
102-14		Statement from senior decision-maker	P3.1, P3.2	4-5
Ethics and Integrity	102-15	Key impacts, risks, and opportunities	P3.1, P3.2	4-5, 68
	102-16	Values, principles, standards, and norms of behavior	G1.1, M3.2-3.3	66
Governance	102-17	Mechanisms for advice and concerns about ethics		66-67
	102-18	Governance structure	G2.1, G2.3, G2.4	64-65
	102-22	Composition of the highest governance body and its committees		64
	102-23	Chair of the highest governance body		65
	102-24	Nominating and selecting the highest governance body	M1.1	64-65
	102-34	Nature and total number of critical concerns		64-65
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	102-41	Collective bargaining agreements	S2.2	75
	102-42	Identifying and selecting stakeholders	G5.2	21
	102-43	Approach to stakeholder engagement	P2.3, M2.13	21
Reporting Practice	102-44	Key topics and concerns raised	G5.3, M2.13	21, 62-63
	102-45	Entities included in the consolidated financial statements	P1.3, P4.3	10-11
	102-46	Defining report content and topic Boundaries	P1.1, P2.2, G1.3	62-63
	102-47	List of material topics	P2.2, G1.3	63
	102-48	Restatements of information		75
	102-49	Changes in reporting		N/A
	102-50	Reporting period	P1.2	2
	102-51	Date of most recent report	P1.2	2
	102-52	Reporting cycle	P1.2	2
	102-53	Contact point for questions regarding the report	P1.5, A4	2
	102-54	Claims of reporting in accordance with the GRI Standards	G4.1, A3	2
102-55	GRI content index	G4.1	83-84	
102-56	External assurance	P1.1, A2	85-86	

GRI-103 : Management Approach

Topic	Standard	Indicators	CASS-CSR 3.0	Page
Management Approach	103-1	Explanation of the material topic and its Boundary	P1.3	62-63
	103-2	The management approach and its components		62-63
	103-3	Evaluation of the management approach		62-63

GRI-200 : Economic

Topic	Standard	Indicators	CASS-CSR 3.0	Page
Economic Performance	201-1	Direct economic value generated and distributed	M1.3-M1.6, S1.5	12
	201-2	Financial implications and other risks and opportunities due to climate change		30
	201-3	Defined benefit plan obligations and other retirement plans		76
Indirect Economic Impacts	203-1	Defined benefit plan obligations and other retirement plans	S2.27-2.29	77
Procurement Practices	204-1	Proportion of spending on local suppliers	S4.9-4.13	77
Anti-corruption	205-1	Operations assessed for risks related to corruption		67
	205-2	Communication and training about anti-corruption policies and procedures		67

GRI-103 : Management Approach

Topic	Standard	Indicators	CASS-CSR 3.0	Page
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	302-1	Energy consumption within the organization	E2.3, E2.6	80
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	302-4	Reduction of energy consumption		80
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Water	303-1	Water withdrawal by source		78
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Emissions	305-1	Direct GHG emissions (SCOPE 1)		81
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	305-3	Other indirect GHG emissions (SCOPE 3)		81
	305-5	Reduction of GHG emissions	E2.19	30, 81
305-7	NOx, Sox, and other significant air emissions	E2.8	78	
Effluents and Waste	306-2	Waste by type and disposal method	E2.12	79
Environmental Compliance	307-1	Non-compliance with environmental laws and regulations		N/A
Supplier Environmental Assessment	308-2	environmental impacts in the supply chain and actions taken	M3.5, M3.9	31-33

GRI-400 : Social

Topic	Standard	Indicators	CASS-CSR 3.0	Page
Employment	401-1	New employee hires and employee turnover	S1.8, S2.31	75
	401-2	"Benefits provided to full-time employees that are not provided to temporary or part-time employees"	S2.9, S2.11-2.12, S2.27-2.29	44
	401-3	Parental leave		76
Occupational Health and Safety	403-2	"Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities"	S2.19, S3.6-3.7	77
	403-4	Health and safety topics covered in formal agreements with trade unions		48-49
Training and Education	404-1	Average hours of training per year per employee	S2.18, S2.24-2.26, S3.3-3.4	76
	404-3	Percentage of employees receiving regular performance and career development reviews		76
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	S2.13-2.15	64
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		48-49
Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments		72, 76
	412-2	Employee training on human rights policies or procedures		72, 76
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	S4.1-4.4	77
Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	M3.5, M3.9	71

*CASS-CSR 3.0: China CSR Report Publication Guideline issued by the Chinese Academy of Social Sciences (CASS)

Third Party's Assurance Statement

To the Readers of 2018-2019 LG Display Sustainability Report:

Foreword

Korea Management Registrar Inc. (hereinafter "KMR") has been requested by of LG Display to verify the contents of its 2018-2019 Sustainability Report (hereinafter "the Report"). LG Display is responsible for the collection and presentation of information included in the Report. KMR's responsibility is to carry out assurance engagement on specific data and information in the assurance scope stipulated below.

Scope and standard

LG Display describes its efforts and achievements of the corporate social responsibility activities in the Report. KMR performed a type2, moderate level of assurance using AA1000AS (2008) and SRV1000 from KMR Global Sustainability Committee as assurance standards. KMR's assurance team(hereinafter "the team") evaluated the adherence to Principles of Inclusivity, Materiality and Responsiveness, and the reliability of the selected GRI Standards indices as below, where professional judgment of the team was exercised as materiality criteria.

The team checked whether the Report has been prepared in accordance with the 'Core Option' of GRI Standards which covers the followings.

- GRI Standards Reporting Principles
- Universal Standards
- Topic Specific Standards

-Management approach of Topic Specific Standards	-Supplier Environmental Assessment: 308-2
-Economic Performance: 201-1, 201-2, 201-3	-Employment: 401-1, 401-2, 401-3
-Indirect Economic Impacts: 203-1	-Occupational Health and Safety: 403-2, 403-4
-Procurement Practices: 204-1	-Training and Education: 404-1
-Anti-Corruption: 205-1, 205-2	-Diversity and Equal Opportunity: 405-1
-Materials: 301-2	-Freedom of Association and Collective Bargaining: 407-1
-Energy: 302-1, 302-3, 302-4, 302-5	-Human Rights Assessment: 412-1, 412-2
-Water: 303-1, 303-3	-Local Communities: 413-1
-Biodiversity: 304-3	-Supplier Social Assessment: 414-2
-Emissions: 305-1, 305-2, 305-3, 305-5, 305-7	
-Effluents and Waste: 306-2	

This Report excludes a data and information of joint corporate, contractor etc. which is outside of the organization, i.e. LG Display, among report boundaries.

Our approach

In order to verify the contents of the Report within an agreed scope of assurance in accordance with the assurance standard, the team has carried out an assurance engagement as follows:

- Reviewed overall report
- Reviewed materiality test process and methodology
- Reviewed sustainability management strategies and targets
- Reviewed stakeholder engagement activities
- Interviewed people in charge of preparing the Report

Our conclusion

Based on the results we have obtained from material reviews and interviews, we had several discussions with LG Display on the revision of the Report. We reviewed the Report's final version in order to confirm that our recommendations for improvement and our revisions have been reflected. When reviewing the results of the assurance, the assurance team could not find any inappropriate contents in the Report to the compliance with the principles stipulated below. Nothing has come to our attention that causes us to believe that the data included in the verification scope are not presented appropriately.

• Inclusivity

Inclusivity is the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability

- LG Display is developing and maintaining stakeholder communication channels in various forms and levels in order to make a commitment to be responsible for the stakeholders. The assurance team could not find any critical stakeholder LG Display left out during this procedure.

• Materiality

Materiality is determining the relevance and significance of an issue to an organization and its stakeholders. A material issue is an issue that will influence the decisions, actions, and performance of an organization or its stakeholders.

- LG Display is determining the materiality of issues found out through stakeholder communication channels through its own materiality evaluation process, and the assurance team could not find any critical issues left out in this process.

• Responsiveness

Responsiveness is an organization's response to stakeholder issues that affect its sustainability performance and is realized through decisions, actions, and performance, as well as communication with stakeholders.

- The assurance team could not find any evidence that LG Display's counter measures to critical stakeholder issues were inappropriately recorded in the Report.

We could not find any evidence the Report was not prepared in accordance with the 'Core Option' of GRI standards.

Recommendation for improvement

We hope the Report is actively used as a communication tool with stakeholders and we recommend the following for continuous improvements.

- LG Display has reinforced communication with stakeholders by reporting sustainability data that is not easy to track including GHG Scope 3. We recommend the company define priorities of topics that may affect its value creation in the short, medium, and long term and continuously reflect them in the value-creation process to improve authenticity and transparency.

Our independence

With the exception of providing third party assurance services, KMR is not involved in any other LG Display's business operations that are aimed at making profit in order to avoid any conflicts of interest and to maintain independence.



June, 12th, 2019

E. J Hwang

CEO Eun-Ju Hwang

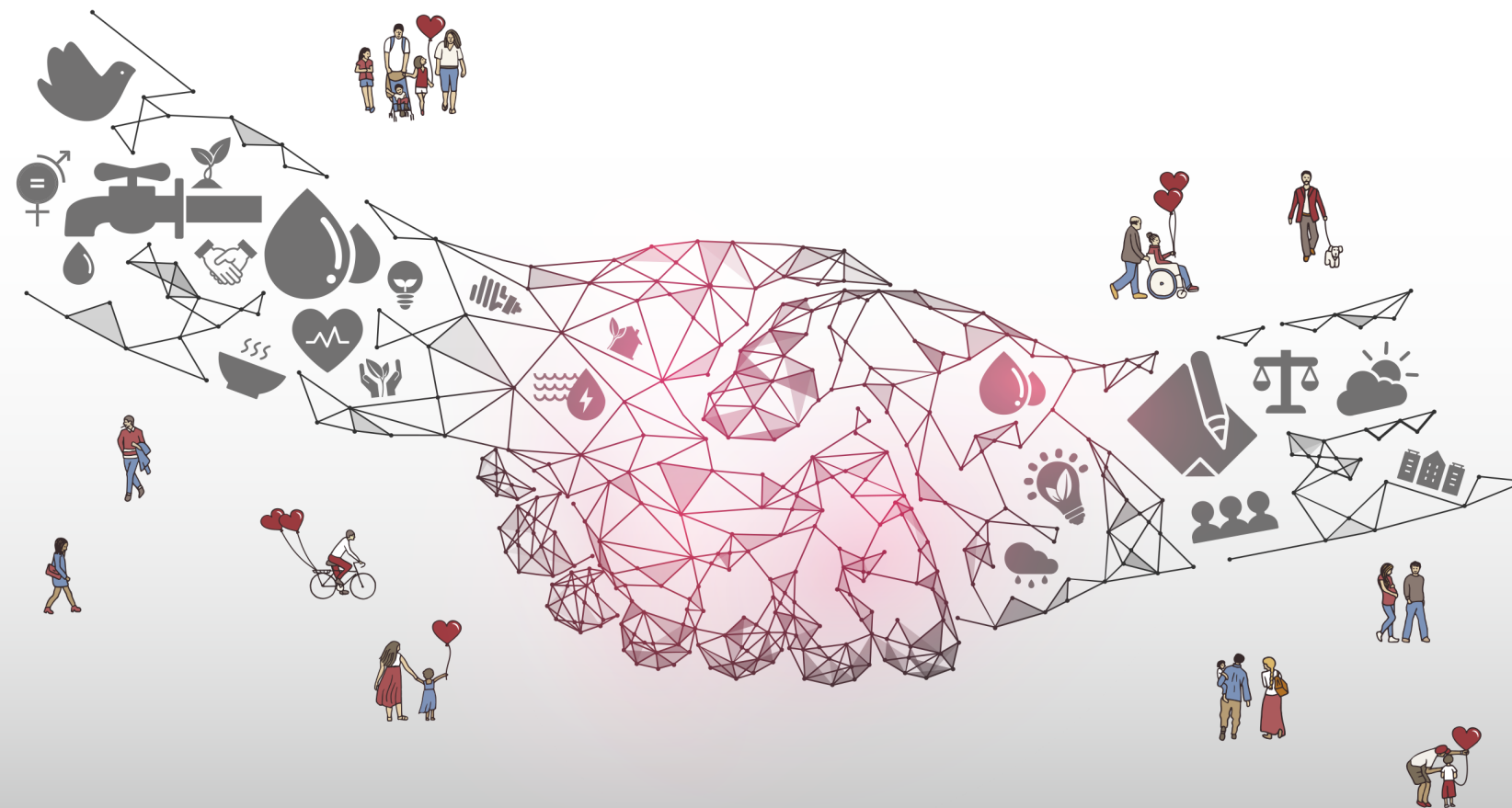
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