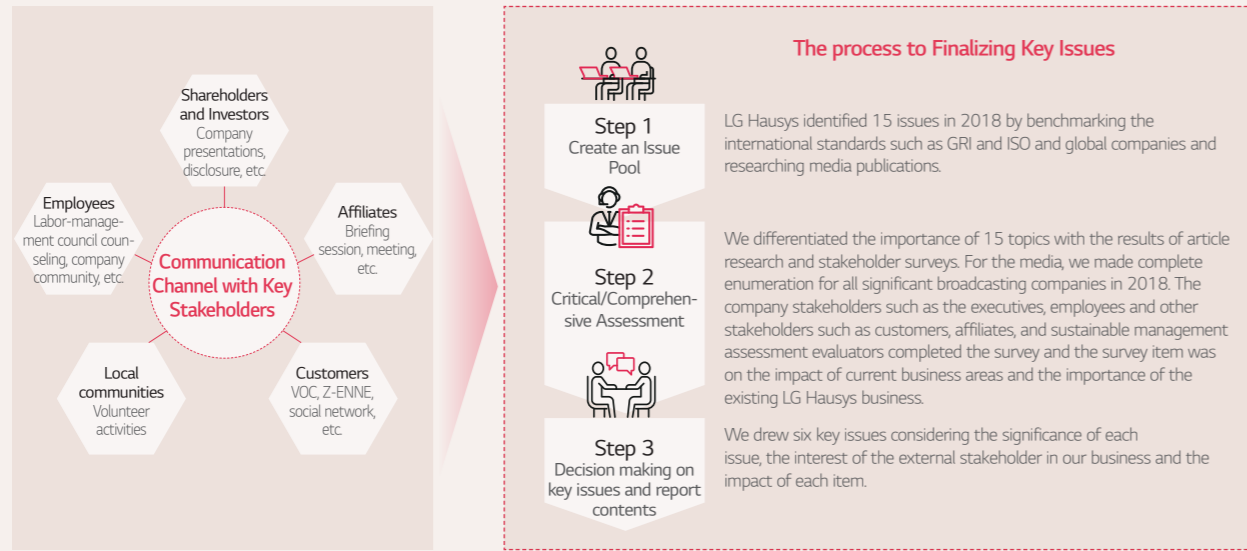


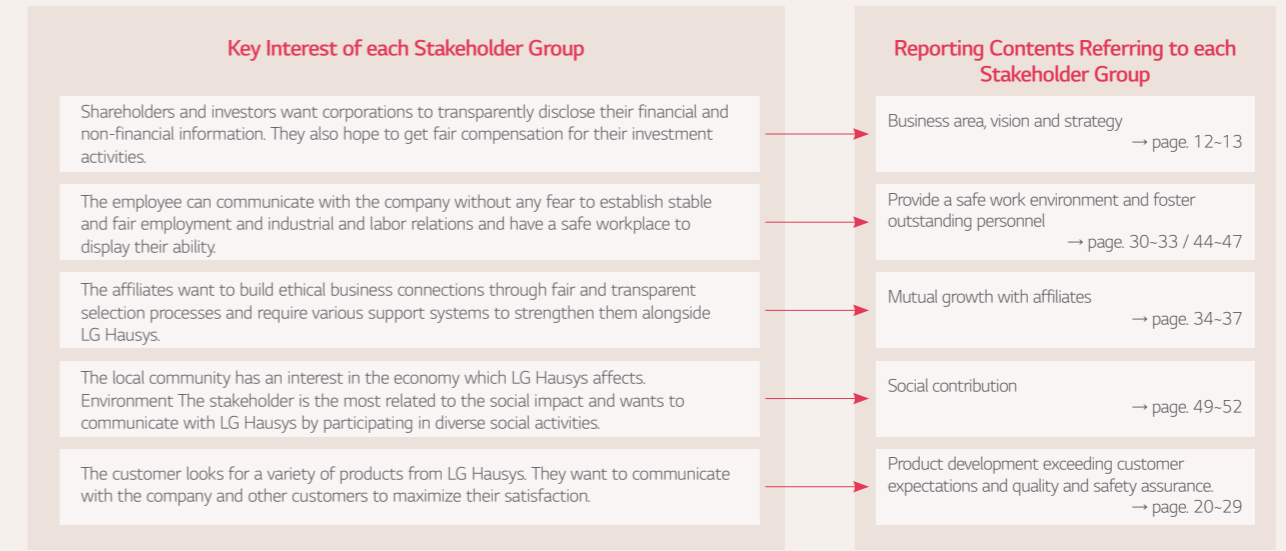
Significance of Comprehensive Analysis

The Decision on Report Contents for Shareholders

LG Hausys defines the stakeholder, investor, executive, customer, affiliates and local community as shareholders in accordance with the role, influence and responsibility for an individual or a person in an organization affecting our business management. The 2019 sustainable management report contains key issues which affected the decision making of key stakeholders for the year 2018.



LG Hausys will continue to implement sustainability management with stakeholders by closely communicating with them to listen to stakeholder concerns and expectations.



The Process to Finalizing Key Issues

LG Hausys underwent the comprehensive assessment process to finalize the essential key issues based on stakeholder concerns for the 2019 report as we did for the 2018 report. We narrowed it down to 15 key issues which were discussed for sustainable management in 2018 by researching the international standards of sustainable management, reports from the leading company of sustainable management and media.

In addition, We surveyed our external stakeholders to listen to and understand their perspective on the current business issues and their impact. We surveyed the internal and external stakeholders such as the employee, customer, affiliates, workers in the same industry and the sustainability management professionals after asking and receiving the agreement of each department from the 18th to the 25th of February in 2019. 491 stakeholders participated in the survey and LG Hausys collected the feedback on the significance of the 15 issues and management level of LG Hausys.

Research on Sustainable Management

International standards review

LG Hausys checked the up-to-date sustainability management issue from ISE 26000, GRI Standard and DJSI.

Global Benchmarking

We went through benchmarking based on the sustainability management publication from domestic or overseas leading companies and similar businesses.

Media research

We analyzed the major issues focusing on the critical issues in articles related to LG Hausys from 1 January to 31 December 2018.

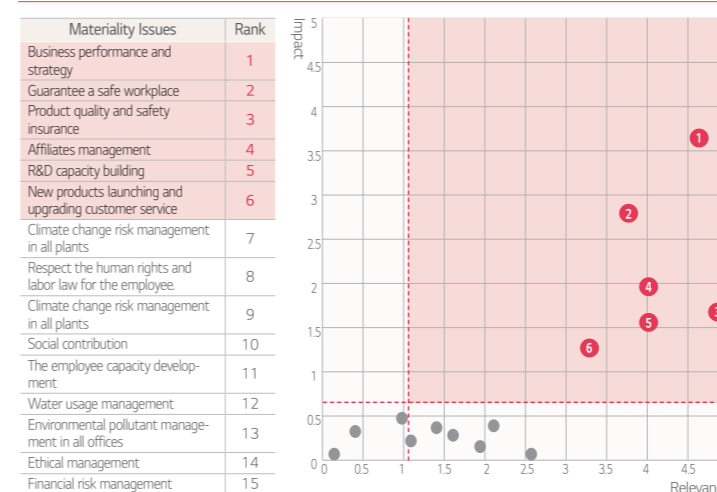
Internal and external stakeholder survey

We evaluated the issues considering the feedback and new topics from the results of the sustainability management survey.

Create an Issue Pool (15 issues in 3 fields)

Activity	No	Materiality Issues
Economy	1	Business performance and strategy
	2	R&D capacity building
	3	Financial risk management
	4	Ethical management
	5	New products launching and upgrading customer service
	6	Development of green products
Environment	7	Climate change risk management in all plants
	8	Environmental pollutant management in all offices
	9	Guarantee a safe workplace
	10	Water usage management
	11	Affiliates management
Society	12	Social contribution
	13	Product quality and safety insurance
	14	The employee capacity development
	15	Respect the human rights and labor law for the employee

The Results of the Survey



Key Issues on Reports

In accordance with the results on the significance of internal and external environment, in general, the results illustrated the business performance, strategy, safe working environment and product quality and safety assurance. We will include the information following the whole content structure.

Rank	where you can find the content	GRI Issues	Page
1	Business performance and strategy	-	12-13
2	Guarantee a safe workplace	GRI 403 Industrial health and safety	30-33
3	Product quality and safety insurance	GRI 416 Customer health and safety	26-29
4	Mutual growth with affiliates	GRI 308 supply chain social evaluation, GRI 414 supply chain environment evaluation	34-37
5,6	Product development capacity intensification	GRI 417 marketing and labeling	20-25