

SAMSUNG SDI



2022 Annual General Meeting of Shareholders

Reference Material

Samsung SDI Co., Ltd.

Note about forward-looking statements

Certain statements in this reference statement, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are “forward-looking statements”. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. A detailed discussion of risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is included in our financial reports available on our website at <https://www.samsungsdi.com/ir/financial-information/audit-report.html>

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Notice of Annual General Meeting of Shareholders

Date / Time: March 17, 2022 at 09:00 Korea Standard Time (UTC+9)

Place: The K Hotel Seoul Convention Center, Crystal ballroom (3rd Floor)
(70, Baume-ro 12-gil, Seocho-gu, Seoul, Korea)

Agenda for the Resolution

Agenda 1. Approval of Financial Statements (FY 2021)

Agenda 2. Appointment of Executive Director, Yoon Ho Choi

Agenda 3. Approval of Director Remuneration Limit (FY 2022)

Summary of Agenda

This summary highlights information contained in the accompanying Reference Material

Agenda 1. Approval of Financial Statements (FY 2021)

The Board of Directors (the “BOD”) is seeking your approval of the following financial statements for FY 2021 beginning on January 1, 2021 and ending on December 31, 2021.

- Consolidated Statements of Financial Position, Comprehensive Income, Changes in Equity, Cash Flows and Separate Statements of Appropriation of Retained Earnings

□ Financial Highlights

(Unit: KRW billion)

Category	FY2021	FY2020	Change
Revenue	13,553.2	11,294.8	20.0%
Operating profit	1,067.6	671.3	59.0%
Net profit	1,250.4	631.0	98.2%
Assets	25,883.2	21,534.2	20.2%

* Please refer to the separate attachment for the audited financial statements, also available on the webpage below <http://www.samsungsdi.com/ir/financial-information/audit-report.html>

□ Annual Dividends

Category	FY2021	FY2020	Change
Dividends per common share(KRW)	Common 1,000	Common 1,000	-
	Preferred 1,050	Preferred 1,050	

Agenda 2. Election of Directors

The BOD seeks to appoint a new Executive Director, due to the resignation of the former Executive Director.

The BOD recommends a new nominee, Yoon Ho Choi. Yoon Ho Choi is expected to lead the development and growth of Samsung SDI Co., Ltd (“the Company” or “Samsung SDI”) with his expertise and experiences.

Yoon Ho Choi has excellent business expertise in management strategy and finance, and the BOD is expecting him to contribute greatly to enhancing business competitiveness for the company's future growth and making decisions on strategic investments.

□ Changes of BOD Members

<i>Board Composition (2021)</i>				<i>Proposed (2022)</i>			
Executive Director	Tenure (years)	Title	Gender	Executive Director	Tenure	Title	Gender
Young Hyun Jun	5 (since 2017)	CEO, Chairman of the BOD	M	Young Hyun Jun	6 (since 2017)	Chairman of the BOD	M
Hyuk Chang	New	Head of SDI R&D Center	M	Yoon Ho Choi	New	CEO	M
Jong Sung Kim	New	CFO	M	Jong Sung Kim	2 (since 2021)	CFO	M

Independent Director	Tenure (years)	Expertise	Gender	Independent Director	Tenure	Expertise	Gender
Won Wook Choi	2 (since 2020)	Finance (accounting)	M	Won Wook Choi	3 (since 2020)	Finance (accounting)	M
Oh Kyung Kwon	2 (since 2020)	Electric Engineering	M	Oh Kyung Kwon	3 (since 2020)	Electric Engineering	M
Duk Hyun Kim	2 (since 2020)	Legal/ Human Rights	F	Duk Hyun Kim	3 (since 2020)	Legal/ Human Rights	F
Tae Ju Park	2 (since 2020)	Labor/ Economics	M	Tae Ju Park	3 (since 2020)	Labor/ Economics	M

Agenda 3. Approval of Director Remuneration Limit (FY 2022)

	FY 2022	FY 2021	
		Approved	Actual
Total remuneration limit	KRW 16.5 billion	KRW 19 billion	KRW 6.3 billion

The BOD is seeking your approval of a remuneration limit of KRW 16.5 billion for FY2022, decreased approximately 13% from FY2021.

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Agenda

Agenda Item 1. Approval of Financial Statements (FY 2021)

Overview

The BOD is seeking your approval of the following financial statements for FY 2021 beginning on January 1, 2021 and ending on December 31, 2021.

- Consolidated Statements of Financial Position, Comprehensive Income, Changes in Equity, Cash Flows and Separate Statements of Appropriation of Retained Earnings

In addition, the BOD determined a year-end dividend of KRW 1,000 per share for Common Stock and KRW 1,050 per share for Preferred Stock.

Audited financial statements will be posted on the webpage on February 24.

<http://www.samsungsdi.com/ir/financial-information/audit-report.html>

Financial performance (K-IFRS, consolidated)

(Unit: KRW billion)

Category	FY2021	FY2020	FY2019
Revenue	13,553.2	11,294.8	10,097.4
Operating profit	1,067.6	671.3	462.2
Net profit	1,250.4	631.0	402.4
EPS(KRW)	16,625	8,165	5,065
Assets	25,833.2	21,534.2	19,852.1
Liabilities	10,636.5	8,175.3	7,191.8
Equity	15,196.7	13,358.9	12,660.3
Liabilities/equity	70.0%	61.2%	56.8%
ROE	8.5%	4.5%	2.9%

Business Performance

□ Summary of key financial metrics, by business division

(Unit: KRW billion)

Division	Category	FY2021	FY2020	FY2019
Energy Solution	Revenue	10,946.9	8,728.8	7,719.3
	Operation profit	537.6	241.3	55.5
Electronic Materials	Revenue	2,606.3	2,566.0	2,378.1
	Operation profit	530.0	430.0	406.7
Total	Revenue	13,553.2	11,294.8	10,097.4
	Operation profit	1,067.6	671.3	462.2
	Margin	7.9%	5.9%	4.6%

Samsung SDI recorded revenue of 13 trillion 553.2 billion won, increased by 20% year-on-year, and operating profit of 1 trillion 67.6 billion won, thanks to our employees' efforts, amid uncertainties of the global business environment caused by the prolonged COVID-19 pandemic for two years.

Our large-sized battery business increased in sales for the European market with production initiation of Gen.5 batteries for EVs, and established a new strategic network for cooperation with the overseas markets such as North America.

Moreover, ESS revenue for the utility products in North America went up, making a positive turnaround for the first time since we've started the large-sized battery business.

For the small-sized battery business, revenue of high-value cylindrical batteries for power tools and EVs increased, and profitability improved with enhancement of overall business structure, made possible by strengthened sales portfolio and increased production efficiency.

For the electronic materials business, we achieved all-time high earnings by taking the lead in the high-end display materials market, increasing sales of new materials for foldable phones, and expanding high-profit products.

As the impact of COVID-19 is likely to continue in 2022, the Company's business environment will be harsh due to fierce competition of the global battery industry, soaring raw materials costs and unstable global supply chain.

However, under any circumstances, Samsung SDI executives and employees will make utmost efforts to achieve our goal through strengthened cooperation, execution and innovations.

In the large-sized battery business, we will take the lead in the EV battery market by prioritizing safety and quality, and developing differentiated technology and new products in a timely manner.

We will also increase our business competitiveness through efficient operation of production lines and strengthened technological capabilities.

For ESS, we will further improve profits by maximizing sales with high product competitiveness.

The small-sized battery business plans to secure competitiveness of pouch batteries, and take the lead in the cylindrical battery market based on high-power/ high-capacity technology.

The electronic materials business will lay the groundwork for continuous growth by strengthening quality competitiveness of major materials and market dominance, and by establishing the foundation for timely commercialization of new high-value materials.

By doing so, Samsung SDI will achieve qualitative growth that prioritizes profitability based on top-notch technological competitiveness and utmost quality, despite the uncertainty of the business environment.

From 2003, we have been publishing Sustainability Report annually, in an effort to achieve not only financial growth but also sustainable growth, and to take on corporate social responsibility.

Furthermore, the Sustainability Committee was newly formed under the Board of Directors, which will play a pivotal role in bolstering our ESG management such as implementing ESG strategy, sustainable management and enhancing shareholder value.

Samsung SDI will do our best to pay more attention to corporate role and responsibility, and to pursue growth in harmony with the society.

Return to Shareholders

For fiscal year 2021, the BOD decided a year-end dividend of KRW 1,000 per share for Common Stock and KRW 1,050 per share for Preferred Stock. The total dividend payout is KRW 66.9 billion. Samsung SDI decides its dividends by taking into account multiple factors such as investment outlook, cash flow, its financial structure and dividend stability.

Since Samsung SDI is focused heavily on rapidly growing businesses, the Company needs to reinvest large portion of its earnings. Accordingly, it is facing difficulties in increasing dividend at the moment. Once the profitability of its new businesses improves and its cash flow becomes more stable, the Company will be able to consider gradual increase of shareholder return.

□ Dividend, Stock Price, etc.

(Unit: KRW billion)

Category	FY2021	FY2020	FY2019
Net Profit (attributable to Owners of the Parent Company)	1,169.8	574.7	356.5
Dividends	66.9	66.9	66.9
(Per share, KRW)	Common 1,000 Preferred 1,050	Common 1,000 Preferred 1,050	Common 1,000 Preferred 1,050
Year-end Stock Price (KRW)	655,000	628,000	236,000
Dividend Yield	Common 0.2% Preferred 0.4%	Common 0.2% Preferred 0.4%	Common 0.4% Preferred 1.2%

FY2022 ~ 2024 Shareholder Return Policy

In January 2021, we announced the three-year shareholder return policy for FY2022 – 2024 to strengthen transparency and communication of shareholder return.

In this policy, regular dividends are set as 1,000 won, with additional pay-out of 5-10% of annual Free Cash Flow.

We expect profit to go up continuously in the mid-to-long term, but we still need a large-scale CAPEX every year to promote our new business, the EV battery business. So, we came up with the shareholder policy that can reflect cash flow.

We also considered the possibility that we may have decreased dividends with increased CAPEX in order to meet potential surge in customers' demand, if dividends are paid only from Free Cash Flow. So, as our commitment to a continuous shareholder return, we decided to keep

the regular dividends as 1,000 won, with an additional pay-out from a certain proportion of Free Cash Flow.

We will always keep close attention to our shareholders' opinions, continuously search for an improvement plan, and reflect it in our future policy.

Agenda Item 2. Election of Directors

Overview

Currently, Samsung SDI's BOD consists of seven members, three Executive Directors and four Independent Directors.

Executive Directors are recommended by the BOD among candidates who possess the necessary qualities as a director such as expertise in the business, a strong sense of responsibility, outstanding achievements and experience. The Independent Directors are recommended by the Independent Director Recommendation Committee after careful consideration of many experts based on criteria such as relevance to the Company's business, expertise in various fields such as technology, business management, finance and law as well as independence from the management and controlling shareholder.

For 2022 AGM, due to the resignation of the former Executive Director, the BOD seeks to appoint a new Executive Director, recommending Yoon Ho Choi as a candidate for such title. The candidate is expected to lead the development and growth of Samsung SDI with his expertise and experiences.

□ Changes of the BOD Members

<i>Board Composition (2020)</i>				<i>Proposed (2021)</i>			
Executive Director	Tenure (years)	Title	Gender	Executive Director	Tenure	Title	Gender
Young Hyun Jun	5 (since 2017)	CEO, Chairman of the BOD	M	Young Hyun Jun	6 (since 2017)	Chairman of the BOD	M
Hyuk Chang	New	Head of SDI R&D Center	M	Yoon Ho Choi	New	CEO	M
Jong Sung Kim	New	CFO	M	Jong Sung Kim	2 (since 2021)	CFO	M

Independent Director	Tenure (years)	Expertise	Gender	Independent Director	Tenure	Expertise	Gender
Won Wook Choi	2 (since 2020)	Finance (accounting)	M	Won Wook Choi	3 (since 2020)	Finance (accounting)	M
Oh Kyung Kwon	2 (since 2020)	Electric Engineering	M	Oh Kyung Kwon	3 (since 2020)	Electric Engineering	M
Duk Hyun Kim	2 (since 2020)	Legal/ Human Rights	F	Duk Hyun Kim	3 (since 2020)	Legal/ Human Rights	F
Tae Ju Park	2 (since 2020)	Labor/ Economics	M	Tae Ju Park	3 (since 2020)	Labor/ Economics	M

Executive Director Nominee

Yoon Ho Choi

President & CEO



Yoon Ho Choi, current President & CEO of Samsung SDI, who has been the President & CFO of the Corporate Management Office and Executive Vice President of the Business Support Task Force of Samsung Electronics, has proved expertise and capabilities in business strategy and finance. He also has work and risk management experiences in operating business in the most competitive industry of the world.

Against the backdrop of the global battery industry becoming even more competitive, the need to increase business competitiveness and make strategic investments for the company's future growth has become more crucial than ever. With his excellent business management capabilities and broad insight, Yoon Ho Choi is deemed to make conspicuous contribution in making Samsung SDI the leader of the industry.

Moreover, his strong determination for ESG management such as fulfilling social responsibility for environment and safety, mutual cooperation, and enhancing shareholder value will be of great contribution in the Board of Directors' decisions regarding sustainable management. Hence, we recommend Yoon Ho Choi as the Executive Director, fully qualified for contribution to the future and growth of Samsung SDI.

Profile of Executive Director Nominee

Yoon Ho Choi

Education

Career

Date of Birth :
Jan. 11, 1963

B.S. in Business Sungkyunkwan University

2021~Present
2020~2021

President & CEO, Samsung SDI
President & CFO, Corporate Management Office, Samsung Electronics

Start of term :
Mar.17, 2022

2017~2020

Executive Vice President, Business Support Task Force, Samsung Electronics

Expiration of term :
Mar.17, 2025

2014~2017

Senior Vice President & CFO, Mobile Communications Business, Samsung Electronics

2010~2014

Vice President, Future Strategy Group, Samsung Electronics

Agenda Item 3. Approval of Director Remuneration Limit (FY 2022)

Overview

The BOD is seeking your approval of the total remuneration limit for the fiscal year 2022.

- Total Remuneration Limit: KRW 16.5 Billion

Director Remuneration Structure

Our practices of Director Remuneration are designed to emphasize the link between performance and compensation. The Remuneration plan consists of salary, bonus, and other compensation. The bonus includes annual incentives and Long Term Incentive (LTI). Annual incentives includes Overall Performance Incentive (OPI), Target Achievement Incentive (TAI), and special bonus, and are based on target achievements and financial performance. LTI is determined by performance evaluations on a three year interval, and distribute 50%, 25%, and 25% of the incentive in the following three years, respectively. The evaluation criteria for LTI are ROE, stock performance and EBIT margin.

Compensation Committee

The Compensation Committee was established in 2014 by a resolution of the BOD, without legal mandates. To ensure objectivity and transparency in decision making on director remuneration, the Committee consists of two Independent Directors and one Executive Director, chaired by an Independent Director. It is responsible for assessing the appropriateness of director compensation and reviewing the limit on director compensation for the next fiscal year, which will be subject of approval by the shareholders at the AGM.

FY 2021 Remuneration (Actual)

Directors Remuneration Paid

(Unit: KRW billion)

	FY2021		FY2020	
	Approved	Actual	Approved	Actual
Total	19.0	6.3	19.0	10.1

* Remuneration payout decreased in FY2021 because there was no payout for severance benefit.

FY 2022 Remuneration (To Be Approved)

	FY 2022	FY 2021
Number of Directors (Independent)	7 (4)	7 (4)
Total remuneration limit	KRW 16.5 billion	KRW 19 billion

The BOD is seeking your approval of a remuneration limit of KRW 16.5 billion for FY2022.
(General compensation KRW 15.6billion, Long-term incentive KRW 0.9billion)

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Corporate Governance

The Board of Directors

The BOD is the highest permanent decision-making body of the Company and decides matters such as those stipulated by law or the Company's Articles of Incorporation, those delegated to the BOD by the General Meeting of Shareholders and important matters regarding Company's basic business policies and business execution. The BOD is also responsible for supervising the work of the Company's executive team. To ensure that the BOD effectively performs its decision-making and supervisory function, Samsung SDI sets forth matters such as the power, composition and deliberation of the BOD in detail in the Regulation for the Operation of the Board of Directors.

The Board of Directors decides matters such as those related with the General Meeting of Shareholders, financial matters, matters related with individual Directors, the BOD and committees, and other key business issues. To enhance the efficiency of BOD operation as well as its expertise and independence, the BOD operates several committees including the Audit Committee, the Related Party Transaction Committee, the Management Committee, the Independent Director Recommendation Committee, the Compensation Committee and the Sustainability Committee, to which the BOD delegates the relevant matters.

□ BOD Members: 7 Directors (as of February 2022)

Executive Directors(3) :	Young Hyun Jun (Chairman of the BOD), Hyuk Chang, Jong Sung Kim
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Independent Directors(4) :	Oh Kyung Kwon, Duk Hyun Kim, Tae Ju Park, Won Wook Choi
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□ Chairman of the Board

Pursuant to Company's Articles of Incorporation and the Regulation for the Operation of the BOD, the Chairman of the BOD is appointed among the Directors through the resolution by the BOD, and different persons may be appointed respectively as the Chairman of the BOD and as the Representative Director of the Company.

□ Responsibilities and duties of Directors

Pursuant to the Article 24 of our Articles of Incorporation, Directors shall take charge of the

affairs determined by the BOD or the committee delegated by the BOD. If the Chairman is unable to perform his or her duties, Directors shall act on his or her behalf, as prescribed by the Board of Directors. Pursuant to the Article 24-2 of our Articles of Incorporation, when a director discovers that he or she is likely to cause significant damage to the Company, he or she shall immediately report such fact to the Audit Committee. Pursuant to the Article 25 Prohibition of Competition by Directors, no Director shall effect any transaction which falls within the same class of business as that of the Company without the consent of the BOD or such committee as authorized by the Board of Directors, except when the Director is elected with the knowledge that his or her business is in competition with the Company.

Director independence

Director independence shall be determined by the independence requirements set forth by the Korean Stock Exchange listing standards, the Commercial Code, and other related regulations. A Director may not be deemed independent if he or she fails to meet the criteria of applicable standards.

Election of Directors

Regulations regarding the election, term of office, and election of Directors in case of a vacancy are provided in the Article 22 of our Articles of Incorporation.

It states that the Company shall have at least three, but not more than nine, Directors and such Directors shall be appointed at a general meeting of shareholders; provided, however, that Independent Directors shall be elected from candidates recommended by the Independent Director Recommendation Committee.

Pursuant to the Article 23 of our Articles of Incorporation, all of Company's BOD members', who are elected by a resolution of the AGM, term of office is three years.

Election of Directors in case of vacancy

Any vacancy in the office of Director shall be filled by a resolution of a general meeting of shareholders. However, if the number of Directors does not fall below the number prescribed by the Article 22 of the Article of Incorporation and if there is no difficulty in the administration of business, the foregoing shall not be applicable.

□ Convening of the meeting of the Board of Directors

There are two types of the BOD meetings.

- Regular meetings—generally held four times a year (once every quarter)
- Extraordinary meetings—held whenever deemed necessary

The Chairman convenes meetings of the BOD, and shall provide members with a notice of meeting, along with an agenda and reasons for the meeting, at least 24 hours in advance. The notice can be in written, oral, and/or electronic forms, and may be omitted with the consent of all Directors. The presence of a majority of all Directors shall constitute a quorum and resolutions shall be adopted by a majority of the votes of the Directors attending the meeting; provided that the Board meeting may take place via electronic means, such as by conference call, within the scope provided by relevant laws. Any Director may convene a meeting with a consent from the Chairman in case where the meeting is deemed necessary for the purpose of carrying out his or her duties.

Board Committee

In January 2022, the Company has established a new committee, the Sustainability Committee, to pursue sustainability management in areas including ESG (environment, society, and governance) and to enhance shareholder value.

The Company's BOD currently operates six sub-committees, i.e. the Management Committee, the Audit Committee, the Related Party Transaction Committee, the Independent Director Recommendation Committee, the Compensation Committee and Sustainability Committee.

Among these committees, the establishment of the Audit Committee and the Independent Director Recommendation Committee is a statutory requirement under the law including the Korean Commercial Code, and the remaining four committees have been created voluntarily by the BOD to enhance its expertise, independence and efficiency. Details regarding the purpose, composition, authority, operation, qualification and appointment & dismissal of members for each committee are determined by the relevant laws and the resolution by the BOD, and have been set forth in writing in the form of the regulations for the operation of each committee.

Pursuant to the regulations for operation of each committee, resolutions taken by each committee must be notified to each Director, and pursuant to Article 15 of the Regulations for the Operation of the BOD, each Director may demand convocation of a BOD meeting within two days from receiving such notice. The BOD has the power to resolve on matters already resolved by one of its committees, notwithstanding however, that pursuant to Article 415-2(6) of the Korean Commercial Code, matters resolved by the Audit Committee cannot be resolved again by the BOD.

The Management Committee

The purpose of the Management Committee is to promote the efficiency of the BOD operation by addressing matters as delegated by the BOD such as matters of general business management, financial matters and other matters excluding those requiring BOD resolution by law or the Articles of Incorporation. To achieve timely and efficient decision making, the Management Committee consists of three Executive Directors who possess expertise and experience in business management.

The Audit Committee

The Audit Committee performs auditing of Company's accounting and key business activities, evaluation of Company's internal accounting control system operation, and inspection of the operation of Company's internal monitoring devices. The Audit Committee also supervises the Directors' and the management's professional activities to ensure that reasonable business decisions are reached by the Directors and the management. Currently, Samsung SDI's Audit Committee consists of four Independent Directors including one financial expert (Director Won Wook Choi). The Chairperson of the Audit Committee is appointed through resolution by the Audit Committee.

The Related Party Transaction Committee

The Related Party Transaction Committee was created by the BOD even though there was no legal requirement to do so, in order to enhance the transparency of the Company's business management and to inspect related party transactions among affiliates by creating a voluntary fair trade compliance program. Samsung SDI's Related Party Transaction Committee consists of four Independent Directors to guarantee a high degree of independence and fairness.

The Independent Director Recommendation Committee

The Independent Director Recommendation Committee examines potential Independent Director candidates and recommends those to be appointed by the General Meeting of Shareholders. The Independent Director Recommendation Committee currently consists of three Executive Directors and four Independent Directors.

The Compensation Committee

The BOD resolved to create the Compensation Committee in order to ensure objectivity and transparency in the process for determining director compensation. Pursuant to Article 3 of the Regulations for the Operation of the Compensation Committee, the Committee consists of two Independent Directors and one Executive Director. One of Independent Directors has been appointed as the Chairperson of the Compensation Committee, and a majority of committee

members are appointed among Independent Directors to ensure independence from the executive team.

The Sustainability Committee

The Sustainability Committee is responsible for agenda items regarding the Company's sustainability management matters such as key strategies and policies on sustainability management, key activities for sustainability management including ESG, items related to enhancing shareholder value and other matters that may significantly impact sustainability management and shareholder value, deemed necessary for the Committee to discuss.

□ Composition of the BOD committee (as of February 2022)

Committee	Committee Members		
	Chair	Executive Directors	Independent Directors
Management	Young Hyun Jun (Executive)	Hyuk Chang Jong Sung Kim	-
Audit	Won Wook Choi (Independent)	-	Oh Kyung Kwon Duk Hyun Kim Tae Ju Park
Related Party Transactions	Oh Kyung Kwon (Independent)	-	Duk Hyun Kim Tae Ju Park Won Wook Choi
Independent Director Candidates Recommendation	-	Young Hyun Jun Young No Kwon Tae Hyuk Ahn	Oh Kyung Kwon Duk Hyun Kim Tae Ju Park Won Wook Choi
Compensation	Tae Ju Park (Independent)	Jong Sung Kim	Oh Kyung Kwon
Sustainability	-	-	-

* The Chairperson of The Independent Director Candidates Recommendation has not been appointed, as Independent Director Candidates Recommendation Committee has not been held after new composition of members from March, 2020.

* Members of The Sustainability Committee will be appointed after this AGM.

The Company and the BOD are reviewing that all the BOD committees, except for the Management Committee, should consist only of Independent Directors.

Profile of BOD Members (As of February 2022)

□ Executive Directors



Young Hyun Jun

Chairman of BOD
Executive Director since 2017

Ph.D. in Electric Engineering, Korea Advanced Institute of Science
M.A. in Electric Engineering, Korea Advanced Institute of Science
B.A. in Electric Engineering, Hanyang University

Career

2017~Present CEO, Samsung SDI
2014~2017 President & General Manager of Memory Business, Samsung Electronics
2014~2014 Executive Vice President & General Manager of Memory Business, Samsung Electronics
2012~2014 Executive Vice President of Marketing Team, Samsung Electronics
2010~2012 Executive Vice President of Flash Product and Technology Division, Samsung Electronics
2009~2010 Executive Vice President of DRAM Product and Technology division, Samsung Electronics



Hyuk Chang

Head of SDI R&D Center
Executive Director since 2020

Ph.D. in Metal Engineering, Utah University
M.S. in Metal Engineering, Utah University
B.S. in Metal Engineering, Inha University

Career

2020~Present Executive Vice President of SDI R&D Center, Samsung SDI
2020~2020 Executive Vice President of Small-sized Battery Business, Samsung SDI
2018~2020 Executive Vice President of Electronic Materials Business, Samsung SDI
2016~2018 Executive Vice President of SDI R&D Center, Samsung SDI
2013~2016 Executive Vice President of Materials R&D Center, Samsung Advanced Institute of Technology
2009~2013 Senior Vice President of Energy Lab, Samsung Advanced Institute of Technology



Jong Sung Kim

CFO
Executive Director since 2020

B.A. in Management, Seoul University

Career

2020~Present CFO, Executive Vice President of Business Management Office, Samsung SDI
2017~2020 Executive Vice President of Business Management Team of VD Business, Samsung Electronics
2012~2017 Senior Vice President of Business Management Team, Samsung Display
2011~2012 Vice President of Strategy Team, Samsung Electronics
2009~2011 Vice President of Business Management Team, Samsung Mobile Display

□ Independent Directors



Oh Kyung Kwon

Independent Director since 2020

Ph.D. in Electrical Engineering, Stanford University

M.A. in Electrical Engineering, Stanford University

B.A. in Electronic Engineering, Hanyang University

Career

2020~Present Independent Director, Samsung SDI
 2020~Present Chair-Professor of Electronic Engineering at Hanyang University
 2020~Present Chairman of CAETS
 2017~Present President of National Academy of Engineering, Korea
 2017~Present Independent Director of Yumin Cultural Foundation
 2017~Present Non-Executive Director of Korea Institute of S&T Evaluation and Planning
 1992~2020 Professor of Electronic Engineering at Hanyang University
 2014~2017 Vice Chairman of Korea Federation of Science and Technology Societies
 2010~2011 President of Korea Information Display Association



Duk Hyun Kim

Independent Director since 2020

Ph.D & M.A. in Law, Hanyang University

B.A. in Law, Hanyang University

Career

2020~Present Independent Director, Samsung SDI
 2018~Present Attorney of Law firm Jin-Sung
 2017~Present Member of Central Committee of Korean Red Cross
 2017~Present Chairperson of the Commission for Democratization movement Activists' Honor-restoration and Compensation
 2018~2020 Human Right Officer of National Counterterrorism Committee
 2011~2013 Deputy Chairperson of Korean Bar Association
 2001~2007 President of Korean Women Lawyers' Association
 1983~1986 Judge of Seoul District Court



Tae Ju Park

Independent Director since 2020

Ph.D. in Labor and Industrial Relations, University of Warwick

M.A. in Labor Economics, Korea University

B.A. in Economics, Seoul National University

Career

2020~Present Independent Director, Samsung SDI
 2019~Present Senior Researcher of Korea University Institute for Research on Labor and Employment
 2017~2019 Standing Commissioner of Economic, Social & Labor Council
 2014~2017 President of Seoul Tripartite Model Council
 2014~2016 President of Korean Society for Industrial and Labor
 2004~2016 Professor of Employment and Labor Training at Korea Institute of Technology Education
 2006~2012 President of Tripartite Committee of Hyundai Motor Company



Won Wook Choi

Independent Director since 2020

Ph.D in Business, Columbia University

M.A. in Business, University of Michigan

B.A. in Economics, Yonsei University

Career

2020~Present Independent Director, Samsung SDI
 2004~Present Professor of School of Business of Yonsei University
 2019~Present Independent Director of LIG Nex1
 2016~Present Member of Deliberation Council at Tax Office of Ministry of Strategy and Finance
 2018~2020 Chief Editor Korean Accounting Association
 2015~2017 Chief Editor of Korean Academic Society of Taxation
 2009~2011 Commissioner of National Tax Service
 2009~2011 Member of IFRS, Korea Accounting Institute

BOD Activities

□ Board meetings in FY2021

- Board meetings and voting results of Independent Directors

Date	Contents of Agenda	Kyung Kwon Oh	Duk Hyun Kim	Tae Ju Park	Won Wook Choi
Jan 28 2021	Approval of FY2020 financial statements and business report	For	For	For	For
	Adoption of electronic voting	For	For	For	For
	Facility sales purchase agreement with Samsung SDI Hungary Zrt.	For	For	For	For
	Asset purchase agreement with Samsung Electronics Co., Ltd.	For	For	For	For
	Purchase of product liability insurance	For	For	For	For
	Approval of cafeteria outsourcing contract	For	For	For	For
Feb 23 2021	Convention of 51st regular general meeting of shareholders	For	For	For	For
	Appointment of person to exercise for DR voting right	For	For	For	For
	Participation in paid-in capital increase of Samsung SDI Hungary Zrt.	For	For	For	For
	Payment guarantee in Samsung SDI Hungary Zrt.	For	For	For	For
	Donation to Chung-nam Samsung Institute	For	For	Against	For
	Amendment of the agreement and regulations of the Samsung compliance committee	For	For	For	For
	Report of FY2020 operation status of internal accounting management system	-	-	-	-
	Report of operation status evaluation of internal accounting management system by audit committee	-	-	-	-
Mar 17 2021	Appointment of business affairs and setting the remuneration of directors	For	For	For	For
	Appointment of member of management committee	For	For	For	For

	Appointment of member of Samsung compliance committee	For	For	For	For
Apr 27 2021	Sponsorship of partner company smart factory support project	For	For	For	For
	Signing of contract for facility sales with Samsung SDI (Tianjin) Battery Co.,Ltd	For	For	For	For
	Asset purchase agreement with Samsung Electronics Co., Ltd.	For	For	For	For
	Report of FY2021 Safety and Health plan	-	-	-	-
Jul 27 2021	Approval of FY2021 Safety and Health plan	For	For	For	For
	Donation to Sungkyunkwan University	For	For	For	For
	Approval of Joint operation for Samsung SW Academy for Youth	For	For	For	For
	Approval of lease contract with Samsung Electronics Co., Ltd.	For	For	For	For
	Approval of development outsourcing contract with Samsung Display	For	For	For	For
	Signing of contract for facility sales with Samsung SDI Hungary Zrt.	For	For	For	For
	Payment guarantee in Samsung SDI Hungary Zrt.	For	For	For	For
	Asset purchase agreement with STM	For	For	For	For
	Participation in paid-in capital increase of STM	For	For	For	For
	Approval of additional transaction with affiliate company for FY2021	For	For	For	For
Nov 2 2021	Approval of executing financial donations				
	1-1 Donation to Samsung Life Public Welfare Foundation	For	For	Abstain	For
	1-2 Donation to Samsung Welfare Foundation	For	For	For	For
	1-3 Donation to Ho-am Foundation	For	For	For	For
	Package insurance policy	For	For	For	For
Nov 29 2021	Donation to Hope Campaign	For	For	For	For
Dec 14 2021	Accumulation of FY2022 DC retirement pension	For	For	For	For
	Approval of transaction with affiliate company for FY2022	For	For	For	For
	Signing of contract for facility sales with Samsung SDI Hungary Zrt.	For	For	For	For
	Approval of contract with Samsung Electronics Co., Ltd.	For	For	For	For
	Report of inspection results of Compliance standards	-	-	-	-
	Report of the validity evaluation of Compliance System	-	-	-	-
Dec 23 2021	Appointment of chairperson of Samsung Compliance Committee	For	For	For	For

□ Committee participation of Independent Directors in FY2021

Audit Committee

Date	Agenda
Jan 28 2021	Report of operation status of internal accounting management system in FY2020
	Report on FY2020 final accounts and FY2021 business outlook
	Report on FY2020 audit results and FY2021 plan
Feb 23 2021	Report of FY2020 financial statements and annual business report
	Report of financial donations in FY2020.4Q
Apr 27 2021	Inspection of compliance with selection standard of auditors
	Report on FY2021.1Q final accounts
	Report of operation plan of internal accounting management system in FY2021
	Report of financial donations in FY2021.1Q
Jul 27 2021	Report on FY2021.2Q final accounts
	Report of financial donations in FY2021.2Q
Nov 2 2021	Report on FY2021.3Q final accounts

Compensation Committee

Date	Agenda
Feb 23 2021	Appointment of chairperson of the Compensation Committee
	Review of remuneration for Directors
	Review of remuneration limit for Directors

Related Party Transactions Committee

Date	Agenda
Jan 28 2021	Deliberation of facility sales transaction with Samsung SDI Hungary Zrt.
	Deliberation of asset purchase agreement with Samsung Electronics Co., Ltd.
	Deliberation of purchasing product liability insurance
	Deliberation of cafeteria outsourcing contract
	Report of internal trade in FY2020.4Q
Feb 23 2021	Deliberation of donation to Chung-nam Samsung Institute
	Deliberation of participation in paid-in capital increase of Samsung SDI Hungary Zrt.
	Deliberation of payment guarantee in Samsung SDI Hungary Zrt.
Apr 27 2021	Deliberation of contract for facility sales with Samsung SDI Tianjin Battery Co.,Ltd
	Deliberation of asset purchase agreement with Samsung Electronics Co., Ltd.
	Report of internal trade in FY2021.1Q
Jul 27 2021	Deliberation of donation to Sungkyunkwan University
	Deliberation of Joint operation for Samsung SW Academy for Youth
	Deliberation of lease contract with Samsung Electronics Co., Ltd.
	Deliberation of development outsourcing contract with Samsung Display
	Deliberation of contract for facility sales with Samsung SDI Hungary Zrt.
	Deliberation of payment guarantee in Samsung SDI Hungary Zrt.
	Deliberation of asset purchase agreement with STM
	Deliberation of participation in paid-in capital increase of STM
	Deliberation of additional transaction with affiliate company for FY2021
	Report of internal trade in FY2021.2Q
Nov 2 2021	Deliberation of executing financial donations 1-1 Donation to Samsung Life Public Welfare Foundation 1-2 Donation to Samsung Welfare Foundation 1-3 Donation to Ho-am Foundation
	Deliberation of package insurance policy
	Report of internal trade in FY2021.3Q
Dec 14 2021	Deliberation of accumulating FY2022 DC retirement pension
	Deliberation of transaction with affiliate company for FY2022
	Deliberation of contract for facility sales with Samsung SDI Hungary Zrt.
	Deliberation of contract with Samsung Electronics Co., Ltd.

Share Ownership Structure

As of the end of 2021, the total number of Samsung SDI shares outstanding is 70,382,426.

The number of common shares outstanding and preferred shares outstanding are 68,764,530 (98%) and 1,617,896 (2%), respectively.

The number of total treasury stocks of Samsung SDI is 3,509,791 with 3,331,391 common shares (5% of common shares issued) and 178,400 preferred shares (11% of preferred shares issued).

Ownership Structure as of the End of FY2021

	Foreign Investors	Local Institution	Individuals	Treasury Shares	Controlling Shareholders	Total
Common	46.2%	16.2%	12.4%	4.8%	20.4%	100%

Stock ownership status of shareholders over 5%

Shareholders	Holding shares	Ownership (%)	Note
Samsung Electronics	13,462,673	19.58%	End of FY2021
National Pension Service of Korea	5,495,966	7.99%	End of FY2021
BlackRock Fund Advisors	3,444,030	5.01%	August, 2020

* BlackRock Fund Advisors publicly disclosed its stock ownership status on Aug 11th, 2020 (<http://dart.fss.or.kr>).

* As of December 31, 2021, the number of total common shares outstanding is 68,764,530

Independent Auditor Fees

The following table presents fees for professional audit services rendered by KPMG Samjong Accounting Corp.(Samjong) for the audit of Samsung SDI's annual financial statements for the past three years (FY2018–2020), and fees billed for other services rendered by Samjong during those periods.

Independent Auditor Fees between FY2018 to FY2020

FY	Auditor	Audit Services (KRW Million)	Non-Audit Services	Audit Opinion
51 th (FY2020)	Samjong KPMG	1,260	-	Fair
50 th (FY2019)	Samjong KPMG	1,170	-	Fair
49 th (FY2018)	Samjong KPMG	710	-	Fair

Result of General Meeting of Shareholders

□ 51th General Meeting of Shareholders

Agenda for the Resolution		Approval Rate
Proposal 1	Approval of the 2020 Financial Statements of the Company	95.2%
Proposal 2-1	Reappointment of Executive Director, Hyuk Chang	98.6%
Proposal 2-2	Appointment of Executive Director, Jong Sung Kim	98.6%
Proposal 3	Approval of the Remuneration Limit of the Director in FY 2021	78.6%

* Approval Rate : Number of shares approved / Number of shares exercising voting rights

Corporate Website

More details on the Company's corporate governance structure can be found in the Company's annual report (<http://dart.fss.or.kr>) and the Company's website.

<https://www.samsungsdi.com/ir/corporate-governance/articles-of-incorporation.html>

**Consolidated Financial Statements of
Samsung SDI Co., LTD. and Subsidiaries****Index to Financial Statements**

※ Audited financial statements with the independent auditor's opinion are not available as of today but will be disclosed separately at the IR webpage of Samsung SDI on February 24th.
<https://www.samsungsdi.com/ir/financial-information/audit-report.html>

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Consolidated Statements of Financial Position (As of December 31, 2021 and 2020)

(In thousands of won)

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	2,325,692,348	1,545,974,322
Trade and other receivables, net	2,195,425,599	1,870,381,153
Inventories, net	2,487,316,319	1,810,785,261
Other investments	164,541,359	167,037,270
Other assets	258,708,109	256,395,938
Current Derivative Assets	13,223,334	6,831,222
Total current assets	<u>7,444,907,068</u>	<u>5,657,405,166</u>
Long-term trade and other receivables, net	13,538,048	25,279,489
Investments in equity-accounted investees	7,885,424,300	7,143,396,949
Property, plant and equipment, net	7,635,995,590	6,128,099,171
Intangible assets, net	798,911,068	793,573,297
Investment property	150,410,177	150,502,140
Deferred tax assets	140,864,869	96,846,429
Other non-current investments, including derivatives	1,572,410,117	1,358,684,147
Other non-current assets	105,884,741	106,629,883
Non-Current Derivative Assets	84,847,019	73,815,597
Total non-current assets	<u>18,388,285,930</u>	<u>15,876,827,102</u>
Total assets	<u>25,833,192,997</u>	<u>21,534,232,268</u>
Liabilities		
Trade and other payables	3,269,446,525	1,809,091,872
Income taxes payable	126,201,165	44,391,709
Advance received	211,277,273	353,726,971
Unearned revenue	39,131,550	17,761,782
Short-term borrowings	2,510,216,803	2,427,504,180
Derivative liabilities	2,330,250	28,783,094
Provisions	302,682,230	302,373,535
Total current liabilities	<u>6,461,285,796</u>	<u>4,983,633,143</u>
Trade and other payables	265,947,484	210,040,906
Long-term unearned revenue	35,429,210	1,344,199
Long-term unearned revenue	-	-
Long-term borrowings	2,107,760,803	1,484,319,605
Employee benefit liabilities, net	9,358,262	38,705,231
Derivative liabilities	10,016,687	-
Provisions	93,311,710	79,823,290
Deferred tax liabilities	1,653,383,731	1,377,439,006
Total non-current liabilities	<u>4,175,207,887</u>	<u>3,191,672,237</u>
Total liabilities	<u>10,636,493,683</u>	<u>8,175,305,380</u>
Capital stock	356,712,130	356,712,130
Capital surplus	5,001,974,693	5,001,974,693
Other capital	(345,131,584)	(345,131,584)
Accumulated other comprehensive income	1,174,235,558	545,959,020
Retained earnings	8,516,473,334	7,418,101,760
Equity attributable to owners of the Parent Company	<u>14,704,264,131</u>	<u>12,977,616,019</u>
Non-controlling interests	<u>492,435,183</u>	<u>381,310,869</u>
Total equity	<u>15,196,699,314</u>	<u>13,358,926,888</u>
Total liabilities and equity	<u>25,833,192,997</u>	<u>21,534,232,268</u>

Consolidated Statements of Comprehensive Income (For the years ended December 31, 2021 and 2020)

(In thousands of won, except per share information)

	2021	2020
Revenue	13,553,220,249	11,294,770,446
Cost of sales	(10,475,602,069)	(8,914,217,433)
Gross profit	3,077,618,180	2,380,553,013
Selling, general and administrative expenses	(2,010,042,579)	(1,709,217,655)
Operating income	1,067,575,601	671,335,358
Other income	51,960,888	50,205,003
Other expenses	(93,328,475)	(147,740,368)
Finance income	547,619,990	528,826,124
Finance costs	(440,534,600)	(591,925,691)
Share of profit of equity accounted investees	530,041,919	292,710,207
Profit before income taxes	1,663,335,323	803,410,633
Income tax expense (income)	(412,933,762)	(172,444,336)
Profit for the year	1,250,401,561	630,966,297
Other comprehensive income		
Items that will never be reclassified to profit or loss:		
Defined benefit plan actuarial losses	(5,968,134)	4,557,254
Unrealized net changes in fair value of FVOCI financial assets	312,538,061	73,814,357
Related tax	(74,151,288)	(18,965,930)
Items that are or may be reclassified to profit or loss:		
Effective portion of unrealized changes in fair values of cash flow hedges	17,423,535	77,530,705
Change in equity of equity-method accounted investees	191,618,540	60,009,573
Change in gain on translation of foreign operations	238,564,516	(26,482,304)
Related tax	(50,560,667)	(33,853,803)
Other comprehensive income for the year, net of tax	629,464,563	136,609,852
Total comprehensive income	1,879,866,124	767,576,149
Profit attributable to:		
Owners of the Parent Company	1,169,801,395	574,723,494
Non-controlling interests	80,600,166	56,242,804
Total comprehensive income attributable to:		
Owners of the Parent Company	1,793,592,722	719,623,908
Non-controlling interests	86,273,401	47,952,240
Earnings per share		
Basic earnings per share (won) - Ordinary share	17,492	8,593
Basic earnings per share (won) - Preferred share	17,542	8,643

Consolidated Statements of Changes in Equity (For the years ended December 31, 2021 and 2020)

<i>(In thousands of won)</i>	<u>Capital stock</u>	<u>Capital surplus</u>	<u>Other capital</u>	<u>Accumulated other comprehensive income</u>	<u>Retained earnings</u>	<u>Non-controlling interests</u>	<u>Total equity</u>
Balance at January 1, 2020	356,712,130	5,001,974,693	(345,131,584)	404,513,004	6,906,868,478	335,408,475	12,660,345,196
Comprehensive income							
Profit for the year	-	-	-	-	574,723,494	56,242,803	630,966,297
Defined benefit plan actuarial gain	-	-	-	-	3,454,398	-	3,454,398
Effective portion of unrealized changes in fair values of cash flow hedges	-	-	-	58,768,274	-	-	58,768,274
Changes in fair values of FVOCI financial assets	-	-	-	55,951,283	-	-	55,951,283
Change in equity of equity-accounted investees	-	-	-	44,918,200	-	-	44,918,200
Change in gain on translation of foreign operations	-	-	-	(18,191,741)	-	(8,290,563)	(26,482,304)
Total comprehensive income	-	-	-	141,446,016	578,177,892	47,952,240	767,576,148
Transactions with shareholders							
directly recognized in equity							
Dividends to owners of the Company	-	-	-	-	(66,944,610)	(2,231,986)	(69,176,596)
Capital contribution from non-controlling interests	-	-	-	-	-	172,620	172,620
Capital reduction to non-controlling interests	-	-	-	-	-	(30,480)	(30,480)
Foundation of Subsidiaries	-	-	-	-	-	40,000	40,000
Balance at December 31, 2020	356,712,130	5,001,974,693	(345,131,584)	545,959,020	7,418,101,760	381,310,869	13,358,926,888

<i>(In thousands of won)</i>	<u>Capital stock</u>	<u>Capital surplus</u>	<u>Other capital</u>	<u>Accumulated other comprehensive income</u>	<u>Retained earnings</u>	<u>Non-controlling interests</u>	<u>Total equity</u>
Balance at January 1, 2021	356,712,130	5,001,974,693	(345,131,584)	545,959,020	7,418,101,760	381,310,869	13,358,926,888
Comprehensive income							
Profit for the year	-	-	-	-	1,169,801,395	80,600,166	1,250,401,561
Defined benefit plan actuarial gain	-	-	-	-	(4,485,211)	-	(4,485,211)
Effective portion of unrealized changes in fair values of cash flow hedges	-	-	-	13,207,039	-	-	13,207,039
Changes in fair values of FVOCI financial assets	-	-	-	236,903,850	-	-	236,903,850
Change in equity of equity-accounted investees	-	-	-	145,274,368	-	-	145,274,368
Change in gain on translation of foreign operations	-	-	-	232,891,281	-	5,673,235	238,564,516
Total comprehensive income	-	-	-	628,276,538	1,165,316,184	86,273,401	1,879,866,123
Transactions with shareholders							
directly recognized in equity							
Dividends to owners of the Company	-	-	-	-	(66,944,610)	(2,390,865)	(69,335,475)
Capital contribution from non-controlling interests	-	-	-	-	-	34,860,680	34,860,680
Capital reduction to non-controlling interests	-	-	-	-	-	(406,530)	(406,530)
Foundation of Subsidiaries	-	-	-	-	-	-	-
Balance at December 31, 2021	356,712,130	5,001,974,693	(345,131,584)	1,174,235,558	8,516,473,334	499,647,555	15,203,911,686

Consolidated Statements of Cash Flows (As of December 31, 2021 and 2020)

<i>(In thousands of won)</i>	2021	2020
Cash flows from operating activities		
Profit for the year	1,250,401,560	630,966,298
Adjustments for expense (benefit)	1,187,697,644	1,083,053,413
Changes in assets and liabilities	(24,604,442)	391,515,982
Interest received	13,573,960	12,380,644
Interest paid	(48,651,258)	(58,100,631)
Dividends received	15,385,096	13,580,122
Income taxes paid	(217,775,202)	(124,575,586)
Net cash provided by operating activities	<u>2,176,027,358</u>	<u>1,948,820,242</u>
Cash flows from investing activities		
Sale of other investments	273,753,611	35,210,001
Disposal of non-current assets held for sale	-	1,038,723
Proceeds from sale of property, plant and equipment	10,692,315	9,976,840
Proceeds from sale of intangible assets	1,746,072	5,550,412
Sale of subsidiaries, affiliates	1,389,603	-
Government grants received	86,857,352	4,700,985
Acquisition of other investment assets	(42,291,984)	(73,340,022)
Acquisition of property, plant and equipment	(2,254,718,266)	(1,728,269,788)
Acquisition of intangible assets	(2,291,915)	(4,300,095)
Acquisition of subsidiaries, affiliates	(24,670,000)	(29,000,040)
Net cash used in investing activities	<u>(1,949,533,212)</u>	<u>(1,778,432,984)</u>
Cash flows from financing activities		
Proceeds from short-term borrowings	1,443,570,249	1,271,203,046
Proceeds from long-term borrowings	881,522,739	740,043,845
Capital contribution from non-controlling interest	34,860,680	213,300
Dividends paid	(69,335,475)	(69,176,596)
Repayment of debentures	(370,000,000)	(100,000,000)
Repayment of short-term borrowings	(1,100,904,053)	(1,095,524,549)
Repayment of long-term borrowings	(205,899,907)	(485,032,943)
Capital reduction from non-controlling interest	(6,683,614)	(30,480)
Repayment of lease liabilities	(24,407,220)	(21,076,670)
Net cash from financing activities	<u>582,723,399</u>	<u>240,618,953</u>
Net increase (decrease) in cash and cash equivalents	809,217,545	411,006,209
Cash and cash equivalents at January 1	1,545,974,322	1,156,295,421
Effect of exchange rate fluctuations on cash held	(29,499,520)	(21,327,308)
Cash and cash equivalents at December 31	<u>2,325,692,347</u>	<u>1,545,974,322</u>

Separate Statements of Appropriation of Retained Earnings (For the year ended December 31, 2021 and 2020)

(1) Retained earnings as of December 31, 2021 and 2020 are summarized as follows:

<i>(In thousands of won)</i>	2021	2020
Legal reserve	172,839,121	166,144,661
Discretionary reserve	5,679,798,000	5,532,528,000
Unappropriated retained earnings	2,663,836,213	1,719,429,099
Total	8,516,473,334	7,418,101,760

(2) Statement of retained earnings of the Parent Company in equity for the years ended December 31, 2021 and 2020 are summarized as follows:

<i>(In thousands of won)</i>	2021	2020
(i) Unappropriated retained earnings	592,092,760	220,915,644
- Retained Earnings from Previous Year	6,573	7,174
- Defined benefit plan actuarial gain	(4,463,656)	3,592,427
- Profit (loss) for the Year	596,549,843	217,316,043
(ii) Transfer of discretionary reserve	-	-
(iii) Changed retained earnings	(592,079,071)	(220,909,071)
- Legal reserve	(6,694,461)	(6,694,461)
- Dividends	(66,944,610)	(66,944,610)
- Reserve of facility	(518,440,000)	(147,270,000)
Total	13,689	6,573

(END)