

**SAMSUNG SDI**



# **2023 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>

# Table of contents

<b>Notice of 2023 Annual General Meeting of Shareholders</b>	<b>1</b>
<b>Summary of Agenda</b>	<b>2</b>
<b>1. Agenda</b>	
<b>Agenda 1. Approval of Financial Statements (FY 2022)</b>	<b>5</b>
<b>Agenda 2. Appointment of Directors</b>	<b>9</b>
2-1. Reappointment of Executive Director, Young Hyun Jun	
2-2. Reappointment of Independent Director, Oh Kyung Kwon	
2-3. Reappointment of Independent Director, Duk Hyun Kim	
2-4. Appointment of Independent Director, Mee Kyung Lee	
<b>Agenda 3. Appointment of Audit Committee Members</b>	<b>15</b>
3-1. Reappointment of Audit Committee Member, Oh Kyung Kwon	
3-2. Appointment of Audit Committee Member, Mee Kyung Lee	
<b>Agenda 4. Reappointment of Independent Director, Won Wook Choi,         to become Audit Committee Member</b>	<b>18</b>
<b>Agenda 5. Approval of Director Remuneration Limit (FY 2023)</b>	<b>20</b>
<b>2. Corporate Governance</b>	<b>22</b>
<b>3. Financial Statements (FY2022)</b>	<b>36</b>

# Notice of Annual General Meeting of Shareholders

**Date / Time:** March 15, 2023 at 09:00 Korea Standard Time (UTC+9)

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

## Agenda for the Resolution

Agenda 1. Approval of Financial Statements (FY 2022)

Agenda 2. Appointment of Directors

- 2-1. Reappointment of Executive Director, Young Hyun Jun
- 2-2. Reappointment of Independent Director, Oh Kyung Kwon
- 2-3. Reappointment of Independent Director, Duk Hyun Kim
- 2-4. Appointment of Independent Director, Mee Kyung Lee

Agenda 3. Appointment of Audit Committee Members

- 3-1. Reappointment of Audit Committee Member, Oh Kyung Kwon
- 3-2. Appointment of Audit Committee Member, Mee Kyung Lee

Agenda 4. Reappointment of Independent Director, Won wook Choi, to become  
Audit Committee Member

Agenda 5. 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 2022)

---

The Board of Directors (“BOD”) is seeking your approval of the following financial statements for FY 2022 beginning on January 1, 2022 and ending on December 31, 2022.

- 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	FY2022	FY2021	Change
Revenue	20,124.1	13,553.2	48.5%
Operating profit	1,808.0	1,067.6	69.4%
Net profit	2,039.4	1,250.4	63.1%
Assets	30,257.5	25,883.2	16.9%

\* Audited financial statements will be posted on the webpage on February 22<sup>nd</sup>, 2023.

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

### Annual Dividends

(Unit: KRW)

Category	FY2022	FY2021	Change
Dividends per common share	Common 1,030	Common 1,000	3.0%
	Preferred 1,080	Preferred 1,050	2.9%

\* Please refer to Matters Related to Ad Hoc Public Disclosure Obligation (Fair Disclosure) dated 2022.1.27 as to the details of Shareholder Return Policy from 2022 through 2024.

## Agenda 2. Appointment of Directors

The BOD seeks to appoint one Executive Director and four Independent Directors, due to the expiration of the term.

The BOD recommends re-electing incumbent Vice Chairman, Young Hyun Jun, for one Executive Director position, re-electing current Independent Directors, Oh Kyung Kwon and Duk Hyun Kim, for two Independent Director positions, and electing a new candidate, Mee Kyung Lee, for one Independent Director.

Mee Kyung Lee is an ESG expert actively participating in environmental CSR, education on environment as well as the corporate carbon neutrality by actively leading Korea Green Foundation from 2002. She will contribute to building exemplary management and heightening the awareness of ESG management by advising and monitoring in objective and independent perspective.

※ The remaining one Independent Director position will be addressed in Agenda 4 – Appointment of Independent Director to become Audit Committee Member.

Upon completion of 2023 AGM, Company plans to reorganize the Committees such that all Committees, except for Management Committee, will be comprised exclusively of Independent Directors, in pursuance of enhancing the operational transparency and objectivity of the BOD.

### □ Changes of BOD Members

<i>Board Composition (2022)</i>				<i>Proposed (2023)</i>			
Executive Director	Tenure (years)	Title	Gender	Executive Director	Tenure	Title	Gender
Young Hyun Jun	6 (since 2017)	Chairman of the BOD	M	Young Hyun Jun	7 (since 2017)	Chairman of the BOD	M
Yoon Ho Choi	New	CEO	M	Yoon Ho Choi	2 (since 2022)	CEO	M
Jong Sung Kim	2 (since 2021)	CFO	M	Jong Sung Kim	3 (since 2021)	CFO	M

  

Independent Director	Tenure (years)	Expertise	Gender	Independent Director	Tenure	Expertise	Gender
Oh Kyung Kwon	3 (since 2020)	Electric Engineering	M	Oh Kyung Kwon	4 (since 2020)	Electric Engineering	M
Duk Hyun Kim	3 (since 2020)	Legal/ Human Rights	F	Duk Hyun Kim	4 (since 2020)	Legal/ Human Rights	F
Won Wook Choi	3 (since 2020)	Finance (accounting)	M	Won Wook Choi	4 (since 2020)	Finance (accounting)	M
Tae Ju Park	3 (since 2020)	Labor/ Economics	M	Mee Kyung Lee	New	ESG	F

### Agenda 3. Appointment of Audit Committee Members

The BOD seeks to appoint three Audit Committee Members, two due to the expiration of the term and one to the resignation of incumbent Audit Committee Member.

We recommend re-electing current Audit Committee Member, Oh Kyung Kwon, for one position and electing a new candidate, Mee Kyung Lee, an ESG expert, for another.

※ The remaining one Audit Committee Member position will be addressed in Agenda 4 – Appointment of Independent Director to become Audit Committee Member.

#### □ Audit Committee Members

*Present (2022)*

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



*Proposed (2023)*

Director	Tenure	Expertise	Gender
Won Wook Choi	4 (since 2020)	Finance (Accounting)	M
Oh Kyung Kwon	4 (since 2020)	Electric Engineering	M
Mee Kyung Lee	New	ESG	F

### Agenda 4. Appointment of Independent Director to become Audit Committee Member

The BOD seeks to appoint one Independent Director to become the Audit Committee Member. This agenda is proposed in compliance with the Separate Appointment of Audit Committee Member Act of Commercial Law.

We recommend re-electing current Independent Director, Won Wook Choi, for the position and he will become Audit Committee Member as the Chairman of Audit Committee.

Recognized for his expertise in finance and accounting, extensive experience of working with the academia, various public agencies and companies, and reasonable yet meticulous working style, Professor Choi will be a valuable contribution to the development of Samsung SDI by enhancing Company's financial soundness and transparency.

## Agenda 5. Approval of Director Remuneration Limit (FY 2022)

---

	FY 2023	FY 2022	
		Approved	Actual
Total remuneration limit	KRW 12.0 billion	KRW 16.5 billion	KRW 6.3 billion

The BOD is seeking your approval of a remuneration limit of KRW 12.0 billion for FY2023, decreased 27% from FY2022.

# 1

# Agenda

## Agenda 1. Approval of Financial Statements (FY 2022)

### Overview

---

The BOD is seeking your approval of the following financial statements for FY 2022 beginning on January 1, 2022 and ending on December 31, 2022.

- 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 1,030 per share for Common Stock and KRW 1,080 per share for Preferred Stock.

Audited financial statements will be posted on the webpage on February 22.

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

### Financial performance (K-IFRS, consolidated)

(Unit: KRW billion)

Category	FY2022	FY2021	FY2020
Revenue	20,124.1	13,553.2	11,294.8
Operating profit	1,808.0	1,067.6	671.3
Net profit	2,039.4	1,250.4	631.0
EPS(KRW)	29,191	16,625	8,165
Assets	30,257.5	25,833.2	21,534.2
Liabilities	13,040.0	10,636.5	8,175.3
Equity	17,217.5	15,196.7	13,358.9
Liabilities/equity	75.7%	70.0%	61.2%
ROE	11.8%	8.5%	4.5%



## Business Performance

### □ Summary of key financial metrics, by business division

(Unit: KRW billion)

Division	Category	FY2022	FY2021	FY2020
<b>Energy Solution</b>	Revenue	17,566.3	10,946.9	8,728.8
	Operation profit	1,253.8	537.6	241.3
<b>Electronic Materials</b>	Revenue	2,557.8	2,606.3	2,566.0
	Operation profit	554.2	530.0	430.0
<b>Total</b>	Revenue	20,124.1	13,553.2	11,294.8
	Operation profit	1,808.0	1,067.6	671.3
	Margin	9.0%	7.9%	5.9%

Samsung SDI marked a record-high revenue of 20 trillion 124 billion won, and operating profit of 1 trillion 80 billion won, thanks to our employees' efforts, amid uncertainties of the global business environment caused by the prolonged COVID-19 pandemic.

Our large-sized battery business accomplished a historically most fruitful result yet, with increase in sales for both the US and European market and new project acquisitions for EVs, and sales expansion of high-value ESS products such as residential and UPS applications.

For the small-sized battery business, revenue of high-value cylindrical batteries for power tools and EVs have continued to increase. Profitability has also been raised with enhancement of overall business structure, made possible by global capacity investments and increased pricing efficiency.

For the electronic materials business, we achieved all-time high earnings by strengthening our portfolio in high-end products such as OLED and semi-conductor materials, which enabled us to secure the long-term growth momentum to take the lead in the strategic materials market for the next-generation.

With year 2023 to be riddled with uncertainties, such as high interest rate and raw material supply risks stemming from global recession and unstable geopolitical situation, the Company's business environment is expected to be unrelenting.

However, under any circumstances, Samsung SDI executives and employees pledge to take the lead in the global industry, profitability-driven qualitative growth based on the securement of super-gap technology and top quality.

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 most efficient operation of production lines and strengthened technological capabilities. For ESS, we will further improve profits by maximizing sales of high-value product competitiveness.

The small-sized battery business plans to further strengthen our leadership in EV battery market based on competitiveness of cylindrical batteries in high-power/high-capacity technology. Timely development and introduction of new products, securement of industry's top quality competitiveness, and competence in global manufacturing will continuously be sought after.

The electronic materials business will strengthen its leadership within the market based on super-gap technology and competence in quality, and will lay the groundwork for continued growth by securing business foundation of new high-end materials.

Recently, Samsung SDI have established a vision for paving an environment-friendly future with our top-notch technology. We will spare no efforts to secure our leadership in the realm of ESG by taking action against the climate change, for resource circulation, labor human rights, law-abidingness, and coexistence with local culture, as a fully socially responsible entity. Extensive and intensive communications with our employees and partner companies shall also be pursued continuously.

Samsung SDI will unceasingly make every effort to pay attention to corporate role and responsibility, and to grow together with the society, as part of our profound mission to become a true global top tier company.

## Return to Shareholders

For fiscal year 2022, the BOD decided a year-end dividend of KRW 1,030 per share for Common Stock and KRW 1,080 per share for Preferred Stock. The total dividend payout is KRW 69.0 billion. Samsung SDI has decided its dividends in accordance with the company's Shareholder Return Policy which constitutes the regular dividend to be 1,000 KRW, plus 5~10% annual FCF pay-out. Please refer to Matters Related to Ad Hoc Public Disclosure Obligation (Fair Disclosure) dated 2022.1.27 as to the details of Shareholder Return Policy from 2022 through 2024, or see the summarized reference below.

### □ Dividend, Stock Price, etc.

(Unit: KRW billion)

Category	FY2022	FY2021	FY2020
Net Profit (attributable to Owners of the Parent Company)	1,952.1	1,169.8	574.7
Dividends	69.0	66.9	66.9
(Per share, KRW)	Common 1,030 Preferred 1,080	Common 1,000 Preferred 1,050	Common 1,000 Preferred 1,050
Year-end Stock Price (KRW)	591,000	655,000	628,000
Dividend Yield	Common 0.2% Preferred 0.4%	Common 0.2% Preferred 0.4%	Common 0.2% Preferred 0.4%

### [Reference] FY2022 ~ 2024 Shareholder Return Program

In January 2022, 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 at 1,000 KRW as basis, with additional pay-out of 5-10% of annual Free Cash Flow. Such basis has been set to guarantee the minimal shareholder return in consideration of the possibility that Company would be unable to pay out any dividends with increased CAPEX if dividends were paid only out of Free Cash Flow. Moreover, such additional pay-out from Free Cash Flow has been determined in order to enhance the shareholder return.

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

## Agenda 2. Election of Directors

### Overview

---

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

Executive Directors are recommended by the BOD among candidates possessing 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 Candidates Recommendation Committee based on criteria such as relevance with 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 2023 AGM, the BOD seeks to appoint one Executive Director and four Independent Directors, due to the expiration of the term.

The BOD recommends re-electing Company's Vice Chairman, Young Hyun Jun, for one Executive Director position, re-electing current Independent Directors, Oh Kyung Kwon and Duk Hyun Kim, for two Independent Director positions, and electing a new candidate, Mee Kyung Lee, an ESG expert, for one Independent Director position.

※ The remaining one Independent Director position will be addressed in Agenda 4 – Appointment of Independent Director to become Audit Committee Member.

## □ The Board of Directors

<i>Board Composition (2022)</i>				<i>Proposed (2023)</i>			
Executive Director	Tenure (years)	Title	Gender	Executive Director	Tenure	Title	Gender
Young Hyun Jun	6 (since 2017)	Chairman of the BOD	M	Young Hyun Jun	7 (since 2017)	Chairman of the BOD	M
Yoon Ho Choi	New	CEO	M	Yoon Ho Choi	2 (since 2022)	CEO	M
Jong Sung Kim	2 (since 2021)	CFO	M	Jong Sung Kim	3 (since 2021)	CFO	M

  

Independent Director	Tenure (years)	Expertise	Gender	Independent Director	Tenure	Expertise	Gender
Oh Kyung Kwon	3 (since 2020)	Electric Engineering	M	Oh Kyung Kwon	4 (since 2020)	Electric Engineering	M
Duk Hyun Kim	3 (since 2020)	Legal/ Human Rights	F	Duk Hyun Kim	4 (since 2020)	Legal/ Human Rights	F
Won Wook Choi	3 (since 2020)	Finance (accounting)	M	Won Wook Choi	4 (since 2020)	Finance (accounting)	M
Tae Ju Park	3 (since 2020)	Labor/ Economics	M	Mee Kyung Lee	New	ESG	F

Upon completion of 2023 AGM, Company plans to reorganize the Committees such that all Committees, except for Management Committee, will be comprised exclusively of Independent Directors, in pursuance of enhancing the operational transparency and objectivity of the BOD.

## 2-1. Reappointment of Executive Director

---



### Young Hyun Jun

Chairman of BOD  
Executive Director since 2017

Ph.D. in Electric Engineering, Korea  
Advanced Institute of Science & Technology

M.A. in Electric Engineering, Korea  
Advanced Institute of Science & Technology

B.A. in Electric Engineering, Hanyang  
University

### Career

2022~Present	Chairman of BOD, Samsung SDI
2021~2022	Vice Chairman & CEO, Samsung SDI
2017~2021	President & 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

The BOD seeks the reappointment of Young Hyun Jun, who has contributed to business performance as well as the shareholder value, as an Executive Director of Samsung SDI. With his deep insight into the electronics and the battery industries as well as proven management capabilities, Director Jun has been instrumental to Company's revenue and operating profit growth and exceptional technological advancement from 2017 to 2021. He has also improved the transparency and special expertise of the BOD by facilitating effective communication with its employees and other various stakeholders. Considering his extensive experience on business operation and the comprehensive understanding on technology, the BOD believes that Director Jun is capable of executing an important role in contributing to the growth and sustainability of Company.

## 2-2. Reappointment of Independent Director

---



### 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

Independent Director Candidate Oh Kyung Kwon is currently a professor of electronics engineering at Hanyang University in Korea and also the President of the National Academy of Engineering. Professor Kwon is an expert of electronics & electrical engineering and electronic materials technology and possesses a comprehensive perspective capable of quickly reading key technology trends and shifts in the industry.

Moreover, he has led the development of Korea's science and engineering community by serving various leadership positions including the President of the Korean Society of Information Display, the Vice President of the Korean Federation of Science and Technology Societies and the President of the International Council of Academies of Engineering and Technological Sciences. By serving his role as an independent Director, he contributed to enforcing the business strategy by monitoring the business operation and providing practical advises on technology and the overall industry.

Recognized for his expertise in technology and science and the network within the field, Professor Kwon is expected to ensure the leading position in technological competitiveness as a Global Top Tier Company, which is necessary to actively cope with competitive global technology environment.

## 2-3. Reappointment of Independent Director

---



### 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

Independent Director Candidate Duk Hyun Kim is a legal expert with a distinguished career in the field of law including serving as a judge at Seoul District Court, a professor at the Judicial Research & Training Institute and the President of the Korean Women Lawyers' Association. With extensive experience of working administrative, civil and criminal cases and comprehensive legal knowledge, she currently serves as an attorney of the Law firm Jin-Sung and a Human Rights Officer of National Counterterrorism Committee.

Duk Hyun Kim is also recognized for her abundant experience of working with the government and public sector as an advisor of National human Right Commission including as a chairperson of the Commission for Democratization movement Activists' Honor-restoration and Compensation and a member of Central Committee of Korean Red Cross. She has also been an active advocate of social responsibility and diversity. With exceptional legal expertise and a well-balanced experience of working with various government institutions, Candidate Kim will contribute to SDI's efforts to augment its compliance management and establishment of fair trade system.

In the business environment which requires compliance and sustainability as a core value of the management, she is expected to build the stable business environment to be responsive to corporate social role and responsibility.



## 2-4. Appointment of Independent Director

---



### Mee Kyung Lee

Independent Director candidate  
 M.A. in Psychology, Yonsei University  
 B.A. in Psychology, Yonsei University

### Career

2022~Present Member, Central Environmental Policy Committee  
 2022~Present Member, National Assembly Futures Institute  
 2022~Present Independent Director, Hybe  
 2021~Present President, Korea Green Foundation  
 2022~2022 Member, Chancellor Nominating Committee  
 2021~2022 Member, Committee of Carbon Neutrality  
 2020~2022 Member, Committee of Hydrogen Economy  
 2019~2021 Ambassador, National Council on Climate and Air Quality  
 2002~2021 Secretary General & Standing Director, Green Fund

Independent Director candidate Mee Kyung Lee is an expert in the field of environment and possesses wide range of expertise and experience, serving as a President of Korea Green Foundation, a member of Central Environmental Policy Committee as well as the member of Presidential Committee of Carbon Neutrality and Committee of Hydrogen Economy.

Mee Kyung Lee is an ESG expert actively participating in environmental CSR, education on environment as well as the corporate carbon neutrality by actively leading Korea Green Foundation from 2002. She will contribute to building exemplary management and heightening the awareness of ESG management by advising and monitoring in objective and independent perspective.

Recognized for the extensive expertise and experience in the field of environment, Mee Kyung Lee is expected to be an indispensable advisor on Samsung SDI's eco-friendly strategy and action plan as well as the review and decision-making on the ESG policy.

## Agenda 3. Appointment of Audit Committee Members

### Overview

The Samsung SDI Audit Committee currently consists of four Independent Directors. The committee members are appointed by the resolution of General Meeting of Shareholders and the chairman of the committee is selected by a committee resolution.

For 2023 AGM, the BOD seeks to appoint three Audit Committee Members, two due to the expiration of the term and one to the resignation of incumbent Audit Committee Members. The Audit Committee will be restructured to be consisting of three Independent Directors starting from 2023, instead of four Independent Directors.

We recommend re-electing current Audit Committee Member, Oh Kyung Kwon, for one position and electing a new candidate, Mee Kyung Lee, an ESG expert, for another.

※ The remaining one Audit Committee Member position will be addressed in Agenda 4 – Appointment of Independent Director to become Audit Committee Member.

### □ Audit Committee Members

*Present (2022)*

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



*Proposed (2023)*

Director	Tenure	Expertise	Gender
Won Wook Choi	4 (since 2020)	Finance (Accounting)	M
Oh Kyung Kwon	4 (since 2020)	Electric Engineering	M
Mee Kyung Lee	New	ESG	F

### 3-1. Reappointment of Audit Committee Member

---



#### 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

Independent Director Candidate Oh Kyung Kwon is currently a professor of electronics engineering at Hanyang University in Korea and also the President of the National Academy of Engineering. Professor Kwon is an expert of electronics & electrical engineering and electronic materials technology and possesses a comprehensive perspective capable of quickly reading key technology trends and shifts in the industry.

Moreover, he has led the development of Korea's science and engineering community by serving various leadership positions including the President of the Korean Society of Information Display, the Vice President of the Korean Federation of Science and Technology Societies and the President of the International Council of Academies of Engineering and Technological Sciences. By serving his role as an independent Director, he contributed to enforcing the business strategy by monitoring the business operation and providing practical advises on technology and the overall industry.

Recognized for his expertise in technology and science and the network within the field, Professor Kwon is expected to ensure the leading position in technological competitiveness as a Global Top Tier Company, which is necessary to actively cope with competitive global technology environment.

### 3-2. Appointment of Audit Committee Member

---



#### Mee Kyung Lee

Independent Director candidate

M.A. in Psychology, Yonsei University

B.A. in Psychology, Yonsei University

#### Career

2022~Present	Member, Central Environmental Policy Committee
2022~Present	Member, National Assembly Futures Institute
2022~Present	Independent Director, Hybe
2021~Present	President, Korea Green Foundation
2022~2022	Member, Chancellor Nominating Committee
2021~2022	Member, Committee of Carbon Neutrality
2020~2022	Member, Committee of Hydrogen Economy
2019~2021	Ambassador, National Council on Climate and Air Quality
2002~2021	Secretary General & Standing Director, Green Fund

Independent Director Candidate Mee Kyung Lee is an expert in the field of environment and possesses wide range of expertise and experience, serving as a President of Korea Green Foundation, a member of Central Environmental Policy Committee as well as the member of Presidential Committee of Carbon Neutrality and Committee of Hydrogen Economy.

Mee Kyung Lee is an ESG expert actively participating in environmental CSR, education on environment as well as the corporate carbon neutrality by actively leading Korea Green Foundation from 2002. She will contribute to building exemplary management and heightening the awareness of ESG management by advising and monitoring in objective and independent perspective.

Recognized for the extensive expertise and experience in the field of environment, Mee Kyung Lee is expected to be an indispensable advisor on Samsung SDI's eco-friendly strategy and action plan as well as the review and decision-making on the ESG policy.

## **Agenda 4. Appointment of Independent Director, Won Wook Choi, to become Audit Committee Member**

### **Overview**

---

For 2023 AGM, the BOD seeks to appoint one Independent Director to become the Audit Committee Member. This agenda is proposed in compliance with the Separate Appointment of Audit Committee Member Act of Commercial Law.

We recommend re-electing current Independent Director, Won Wook Choi, for the position and he will become Audit Committee Member as the Chairman of Audit Committee.

#### 4. Reappointment of Independent Director, Won wook Choi, to become Audit Committee Member

---



##### 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

Independent Director Candidate Won Wook Choi is currently a professor of accounting at the Yonsei University School of Business, and possesses both the theoretical knowledge and practical experience in various accounting fields such as financial accounting, analysis of financial statements, corporate valuation, tax laws and tax strategy.

Professor Choi also contributed to the Company by providing practical advise and monitoring on the expansion and the risk of the business such as assessing the entry and investment on oversee market, having served various positions including as a professor at the School of Business and Management of oversee as well as a member of the IFRS Adoption Committee of the Korea Accounting Institute.

Recognized for his expertise in finance and accounting, extensive experience of working with the academia, various public agencies and companies, and reasonable yet meticulous working style, Professor Choi will be a valuable contribution to the development of Samsung SDI by enhancing Company's financial soundness and transparency.

# Agenda 5. Approval of Director Remuneration Limit (FY 2023)

## Overview

---

The BOD is seeking your approval of the total remuneration limit for the fiscal year 2023.

- Total Remuneration Limit: KRW 12.0 Billion

## Director Remuneration Structure

---

Our Director Remuneration practices 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 one-third of the incentive in each of the following three years. 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. The Committee currently 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 up for approval by the shareholders at the AGM.

The Company plans to restructure the Compensation Committee to comprise exclusively of Independent Directors, as the operating regulations were modified in the BOD meeting held in January in such a way to further enhance the Committee's transparency and independence. The restructuring will take place upon completion of 2023 AGM.

## FY 2022 Remuneration (Actual)

---

### Directors Remuneration Paid

(Unit: KRW billion)

	FY2022		FY2021	
	Approved	Actual	Approved	Actual
Total	16.5	6.3	19.0	6.3

### Independent Director Remunerations

(Unit: KRW million, Person)

	FY 2022	FY 2021
Number of Directors	4	4
Total Amount	358	332
Average (per person)	90	83

## FY 2023 Remuneration (To Be Approved)

---

### Directors Remuneration Limit

(Unit: KRW billion, Person)

	FY 2023	FY 2022
Number of Directors (Independent)	7 (4)	7 (4)
Total Remuneration Limit	12.0	16.5

The BOD is seeking your approval of a remuneration limit of KRW 12.0 billion for FY2023. (General compensation KRW 9.5billion, Long-term incentive KRW 2.5billion)



## 2

# Corporate Governance

## The Board of Directors

---

The BOD is the highest permanent decision-making body of Company and decides matters such as those stipulated by law or 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 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 Candidates Recommendation Committee, the Compensation Committee and the Sustainability Committee, to which the BOD delegates the relevant matters.

### □ BOD Members: 7 Directors (as of February 2023)

---

Executive Directors(3) :	Young Hyun Jun(Chairman of the BOD), Yoon Ho Choi, Jong Sung Kim
--------------------------	---

---

Independent Directors(4) :	Oh Kyung Kwon, Duk Hyun Kim, Won Wook Choi, Tae Ju Park
----------------------------	--

---

### □ 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 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 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 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 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 Company without the consent of the BOD or such committee as authorized by the Board of Directors, except when a Director is elected with the knowledge that his business is in competition with Company.

## **□ Director independence**

Director independence shall be determine 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 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 Candidates 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 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 consent from the Chairman in the case where the meeting is deemed necessary for the purpose of carrying out his or her duties.

## **Board Committee**

---

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

Among these committees, the establishment of the Audit Committee and the Independent Director Candidates Recommendation Committee is a statutory requirement under the law including the Korean Commercial Code, and the remaining three 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 efficiency 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 Directors and the management.

Currently, Samsung SDI's Audit Committee consists of four Independent Directors including one financial expert (Director Won Wook Choi), though Company is planning to reduce the number of Audit Committee Members to three from 2023. 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 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 Candidates Recommendation Committee*

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

Upon completion of 2023 AGM, the Independent Director Candidates Recommendation Committee will be restructured to comprise exclusively of 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.

Upon completion of 2023 AGM, the Compensation Committee will be restructured to comprise exclusively of Independent Directors.

### *The Sustainability Committee*

The Sustainability Committee is responsible for agenda items for 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 that are deemed necessary for the Committee to discuss.

#### **Composition of the BOD committee (as of February 2023)**

Committee	Committee Members		
	Chair	Executive Directors	Independent Directors
Management	Yoon Ho Choi (Executive)	Young Hyun Jun 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	Oh Kyung Kwon (Independent)	Young Hyun Jun Yoon Ho Choi Jong Sung Kim	Duk Hyun Kim Tae Ju Park Won Wook Choi
Compensation	Tae Ju Park (Independent)	Jong Sung Kim	Oh Kyung Kwon

Sustainability	Duk Hyun Kim (Independent)	-	Oh Kyung Kwon Tae Ju Park Won Wook Choi
----------------	-------------------------------	---	---

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 & Technology

M.A. in Electric Engineering, Korea Advanced  
Institute of Science & Technology

B.A. in Electric Engineering, Hanyang  
University

#### Career

2022~Present Chairman of BOD, Samsung SDI  
2021~2022 Vice Chairman & CEO, Samsung SDI  
2017~2021 President & 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



#### Yoon Ho Choi

President & CEO  
Executive Director since 2022

B.S. in Business, Sungkyunkwan University

#### Career

2021~Present President & CEO, Samsung SDI  
2020~2021 President & CFO, Corporate Management  
Office, Samsung Electronics  
2017~2020 Executive Vice President, Business Support  
Task Force, Samsung Electronics  
2014~2017 Senior Vice President & CFO, Mobile  
Communications Business,  
Samsung Electronics  
2010~2014 Vice President, Future Strategy Group,  
Samsung Electronics



#### 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



### 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





### **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

## BOD Activities

### □ Board meetings and voting results of Independent Directors in FY2022

Date	Contents of Agenda	Kyung Kwon Oh	Duk Hyun Kim	Tae Ju Park	Won Wook Choi
Jan 27 2022	Establishment of Sustainability Committee and enactment of the Committee regulations	For	For	For	For
	Signing of cafeteria outsourcing contract	For	For	Against	For
	Approval of FY 2021 financial statements and business report	For	For	For	For
	Approval of Shareholder Return Policy	For	For	For	For
	Purchase of product liability insurance	For	For	For	For
	Signing of contract for facility sales with Samsung SDI Energy Malaysia Sdn. Bhd.	For	For	For	For
	Appointment of member of Samsung compliance committee	For	For	For	For
Feb 18 2022	Convention of 52 <sup>nd</sup> regular general meeting of shareholders	For	For	For	For
	Donation to Chung-nam Samsung Institute	For	For	For	For
	Appointment of person to exercise for DR voting right	For	For	For	For
	Report of FY2021 operation status of internal accounting management system	-	-	-	-
	Report of operation status evaluation of internal accounting management system by audit committee	-	-	-	-
Mar 17 2022	Appointment of Chief Executive Officer	For	For	For	For
	Appointment of business affairs and setting the remuneration of directors	For	For	For	For
	Appointment of member of management committee	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
Apr 27 2022	Sponsorship of partner company smart factory support project	For	For	For	For
	Approval of lease contract with Samsung Electronics Co., Ltd.	For	For	For	For
	Approval of contract with Samsung Electronics Co., Ltd.	For	For	For	For
	Signing of contract for facility sales with Samsung SDI Energy Malaysia Sdn. Bhd.	For	For	For	For
	Report of FY2022 Safety and Health plan	For	For	For	For
	Report of 1Q22 results and 2Q22 outlook	-	-	-	-
May 24 2022	Signing of investment contract for joint venture with Stellantis N.V.	For	For	For	For
Jul29 2022	Donation to Sungkyunkwan University	For	For	For	For

	Approval of executing financial donations				
	2-1 Donation to Samsung Life Public Welfare Foundation	For	For	For	For
	2-2 Donation to Samsung Welfare Foundation				
	2-3 Donation to Ho-am Foundation				
	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
	Amendment of the agreement and regulations of the Samsung compliance committee	For	For	For	For
	Report of 2Q22 results and 3Q22 outlook	-	-	-	-
Oct 26 2022	Package insurance policy	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
	Participation in paid-in capital increase of StarPlus Energy	For	For	For	For
	Report of 2Q22 results and 4Q22 outlook	-	-	-	-
Nov 29 2022	Donation to Hope Campaign	For	For	For	For
	Signing of cafeteria outsourcing contract	For	For	For	For
	Accumulation of FY2022 DC retirement pension	For	For	For	For
	Approval of transaction with affiliate company for FY2023	For	For	For	For
	Payment guarantee in Samsung SDI Hungary Zrt.	For	For	For	For
	Approval of investment for electrode mother-line in Samsung SDI Chonan Plant	For	For	For	For
	Signing of contract for facility sales with Samsung Display	For	For	For	For
	Signing of lease contract with Samsung Display	For	For	For	For
	Signing of development outsourcing contract for NED Ink with Samsung Display	For	For	For	For
	Report of inspection results of Compliance standards	-	-	-	-
Report of the validity evaluation of Compliance System	-	-	-	-	

□ **Committee participation of Independent Directors in FY2022**

*Audit Committee*

Date	Agenda
Jan 25 2022	Report of amendment of internal accounting management regulations
	Report of operation status of internal accounting management system in FY2021
	Report on FY2021 management results and FY2022 outlook
	Report on FY2020 audit results and FY2021 plan
	Report of audit reports on 4Q21 donations
Feb 17 2022	Report of FY2022 financial statements and annual business report
Apr 26 2022	Inspection of compliance with selection standard of auditors
	Report on 1Q22 financial reports
	Report of operation plan of internal accounting management system in FY2022
	Report of audit reports on 1Q22 donations
Jul 28 2022	Report on 2Q22 financial reports
	Report of audit reports on 2Q22 donations
Oct 25 2022	Appointment of external auditor
	Report on 3Q22 financial reports
	Report of audit reports on 3Q22 donations

*Compensation Committee*

Date	Agenda
Feb 17 2022	Review of base salary for Executive Directors
	Review of remuneration limit for Directors

## Related Party Transactions Committee

Date	Agenda
Jan 25 2022	Deliberation of signing cafeteria outsourcing contract
	Deliberation of purchasing product liability insurance
	Deliberation of contract for facility sales with Samsung SDI Energy Malaysia Sdn. Bhd.
	Report of internal trade in 4Q21
Feb 17 2022	Deliberation of donation to Chung-nam Samsung Institute
Mar 10 2022	Deliberation of participation in paid-in capital increase of Samsung SDI Hungary Zrt.
	Deliberation of payment guarantee in Samsung SDI Hungary Zrt.
Apr 26 2022	Deliberation of lease contract with Samsung Electronics Co., Ltd.
	Deliberation of outsourcing contract with Samsung Electronics Co., Ltd.
	Deliberation of contract for facility sales with Samsung SDI Energy Malaysia Sdn. Bhd.
	Report of internal trade in 1Q22
Jul 28 2022	Deliberation of donation to Sungkyunkwan University
	Deliberation of executing financial donations 2-1 Donation to Samsung Life Public Welfare Foundation 2-2 Donation to Samsung Welfare Foundation 2-3 Donation to Ho-am Foundation
	Deliberation of Joint operation for Samsung SW Academy for Youth
	Deliberation of lease contract with Samsung Electronics Co., Ltd.
	Oct 25 2022
Deliberation of additional transaction with affiliate company for FY2022	
Deliberation of contract for facility sales with Samsung SDI Hungary Zrt.	
Deliberation of participation in paid-in capital of StarPlus Energy	
Nov 28 2022	Deliberation of cafeteria outsourcing contract
	Deliberation of accumulation of FY2023 DC retirement pension
	Deliberation of transaction limit with affiliate company for FY2023
	Deliberation of payment guarantee in Samsung SDI Hungary Zrt.
	Deliberation of contract for facility sales with Samsung Display
	Deliberation of lease contract with Samsung Display
	Deliberation of development outsourcing contract for NED Ink with Samsung Display

## Share Ownership Structure

As of the end of 2022, 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 FY2022

	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 FY2022
National Pension Service of Korea	5,449,458	7.92%	End of FY2022
BlackRock Fund Advisors	3,204,685	4.66%	End of FY2022

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

\* As of December 31, 2022, 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 (FY2019–2021), and fees billed for other services rendered by Samjong during those periods.

### Independent Auditor Fees between FY2019 to FY2021

FY	Auditor	Audit Services (KRW Million)	Non-Audit Services	Audit Opinion
52 <sup>nd</sup> (FY2021)	Samjong KPMG	1,370	-	Fair
51 <sup>th</sup> (FY2020)	Samjong KPMG	1,260	-	Fair
50 <sup>th</sup> (FY2019)	Samjong KPMG	1,170	-	Fair

## Result of General Meeting of Shareholders

---

### □ 52<sup>nd</sup> General Meeting of Shareholders

Agenda for the Resolution		Approval Rate
Proposal 1	Approval of the 2021 Financial Statements of the Company	98.8%
Proposal 2	Appointment of Executive Director, Yoon Ho Choi	87.2%
Proposal 3	Approval of the Remuneration Limit of the Director in FY 2022	80.6%

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

## Corporate Website

---

More details on Company's corporate governance structure can be found in Company's annual report (<http://dart.fss.or.kr>) and 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 22<sup>nd</sup>.  
<https://www.samsungsdi.com/ir/financial-information/audit-report.html>

**Financial Statements Page**

Consolidated Statements of Financial Position.....	37
Consolidated Statements of Comprehensive Income.....	38
Consolidated Statements of Changes in Equity.....	39
Consolidated Statements of Cash Flows.....	41
Separate Statements of Appropriation of Retained Earnings.....	42



## Consolidated Statements of Financial Position (As of December 31, 2022 and 2021)

<i>(In thousands of won)</i>	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
Cash and cash equivalents	2,614,271,850	2,325,692,348
Trade and other receivables, net	2,933,814,799	2,195,425,599
Inventories, net	3,204,515,835	2,487,316,319
Other investments	534,662,104	164,541,359
Other assets	335,800,401	258,708,109
Current Derivative Assets	28,637,386	13,223,334
<b>Total current assets</b>	<b><u>9,651,702,375</u></b>	<b><u>7,444,907,068</u></b>
Long-term trade and other receivables, net	6,879,322	13,538,048
Investments in equity-accounted investees	8,940,282,255	7,885,424,300
Property, plant and equipment, net	8,965,469,799	7,635,995,590
Intangible assets, net	814,931,163	798,911,068
Investment property	147,558,866	150,410,177
Deferred tax assets	168,913,514	140,864,869
Other non-current investments, including derivatives	1,245,883,337	1,572,410,117
Other non-current assets	137,715,011	105,884,741
Non-Current Derivative Assets	6,070,438	84,847,019
Employee benefit assets	172,119,091	-
<b>Total non-current assets</b>	<b><u>20,605,822,796</u></b>	<b><u>18,388,285,929</u></b>
<b>Total assets</b>	<b><u>30,257,525,171</u></b>	<b><u>25,833,192,997</u></b>
<b>Liabilities</b>		
Trade and other payables	4,285,754,046	3,269,446,525
Income taxes payable	229,613,881	126,201,165
Advance received	230,132,847	211,277,273
Unearned revenue	78,688,354	39,131,550
Short-term borrowings	2,851,183,214	2,510,216,803
Derivative liabilities	57,510	2,330,250
Provisions	331,508,976	302,682,230
<b>Total current liabilities</b>	<b><u>8,006,938,828</u></b>	<b><u>6,461,285,796</u></b>
Trade and other payables	697,531,225	265,947,484
Long-term unearned revenue	50,623,505	35,429,210
Long-term borrowings	2,297,040,000	2,107,760,803
Employee benefit liabilities	2,005,410	9,358,262
Derivative liabilities	82,319	10,016,687
Provisions	91,878,306	93,311,710
Deferred tax liabilities	1,893,923,422	1,653,383,731
<b>Total non-current liabilities</b>	<b><u>5,033,084,187</u></b>	<b><u>4,175,207,887</u></b>
<b>Total liabilities</b>	<b><u>13,040,023,015</u></b>	<b><u>10,636,493,683</u></b>
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	1,003,816,893	1,174,235,558
Retained earnings	10,468,351,381	8,516,473,334
<b>Equity attributable to owners of the Parent Company</b>	<b><u>16,485,723,513</u></b>	<b><u>14,704,264,131</u></b>
<b>Non-controlling interests</b>	<b><u>731,778,643</u></b>	<b><u>492,435,183</u></b>
<b>Total equity</b>	<b><u>17,217,502,156</u></b>	<b><u>15,196,699,314</u></b>
<b>Total liabilities and equity</b>	<b><u>30,257,525,171</u></b>	<b><u>25,833,192,997</u></b>

## Consolidated Statements of Comprehensive Income (For the years ended December 31, 2022 and 2021)

*(In thousands of won, except per share information)*

	<u>2022</u>	<u>2021</u>
<b>Revenue</b>	<b>20,124,069,516</b>	<b>13,553,220,249</b>
Cost of sales	(15,903,322,834)	(10,475,602,069)
<b>Gross profit</b>	<b>4,220,746,682</b>	<b>3,077,618,180</b>
Selling, general and administrative expenses	(2,412,733,669)	(2,010,042,579)
<b>Operating income</b>	<b>1,808,013,013</b>	<b>1,067,575,601</b>
Other income	62,998,019	51,960,888
Other expenses	(206,316,946)	(93,328,475)
Finance income	1,390,645,973	547,619,990
Finance costs	(1,442,761,340)	(440,534,600)
Share of profit of equity accounted investees	1,039,696,670	530,041,919
<b>Profit before income taxes</b>	<b>2,652,275,389</b>	<b>1,663,335,323</b>
Income tax expense (income)	(612,913,941)	(412,933,762)
<b>Profit for the year</b>	<b>2,039,361,448</b>	<b>1,250,401,561</b>
<b>Other comprehensive income</b>		
<b>Items that will never be reclassified to profit or loss:</b>		
Defined benefit plan actuarial losses	87,645,869	(5,968,134)
Unrealized net changes in fair value of FVOCI financial assets	(166,678,917)	312,538,061
Related tax	(3,040,696)	(74,151,288)
<b>Items that are or may be reclassified to profit or loss:</b>		
Effective portion of unrealized changes in fair values of cash flow hedges	(67,984,703)	17,423,535
Change in equity of equity-method accounted investees	(9,615,209)	191,618,540
Change in gain on translation of foreign operations	17,859,070	238,564,516
Related tax	1,937,146	(50,560,667)
<b>Other comprehensive income for the year, net of tax</b>	<b>(139,877,440)</b>	<b>629,464,563</b>
<b>Total comprehensive income</b>	<b>1,899,484,008</b>	<b>1,879,866,124</b>
<b>Profit attributable to:</b>		
Owners of the Parent Company	1,952,148,536	1,169,801,395
Non-controlling interests	87,212,912	80,600,166
<b>Total comprehensive income attributable to:</b>		
Owners of the Parent Company	1,848,403,992	1,793,592,722
Non-controlling interests	51,080,016	86,273,401
<b>Earnings per share</b>		
<b>Basic earnings per share (won) - Ordinary share</b>	<b>29,191</b>	<b>17,492</b>
<b>Basic earnings per share (won) - Preferred share</b>	<b>29,241</b>	<b>17,542</b>

**Consolidated Statements of Changes in Equity** (For the years ended December 31, 2022 and 2021)

<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>
<b>Balance at January 1, 2021</b>	<b>356,712,130</b>	<b>5,001,974,693</b>	<b>(345,131,584)</b>	<b>545,959,020</b>	<b>7,418,101,760</b>	<b>381,310,869</b>	<b>13,358,926,888</b>
<b>Comprehensive income</b>							
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
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>628,276,538</b>	<b>1,165,316,184</b>	<b>86,273,401</b>	<b>1,879,866,123</b>
<b>Transactions with shareholders directly recognized in equity</b>							
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	-	-	-	-	-	(7,212,371)	(7,212,371)
<b>Balance at December 31, 2021</b>	<b>356,712,130</b>	<b>5,001,974,693</b>	<b>(345,131,584)</b>	<b>1,174,235,558</b>	<b>8,516,473,334</b>	<b>492,435,184</b>	<b>15,196,699,315</b>

<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>
<b>Balance at January 1, 2022</b>	<b>356,712,130</b>	<b>5,001,974,693</b>	<b>(345,131,584)</b>	<b>1,174,235,558</b>	<b>8,516,473,334</b>	<b>492,435,184</b>	<b>15,196,699,315</b>
<b>Comprehensive income</b>							
Profit for the year	-	-	-	-	1,952,148,536	87,212,912	2,039,361,448
Defined benefit plan actuarial gain	-	-	-	-	66,674,121	-	66,674,121
Effective portion of unrealized changes in fair values of cash flow hedges	-	-	-	(52,195,555)	-	-	(52,195,555)
Changes in fair values of FVOCI financial assets	-	-	-	(148,747,865)	-	-	(148,747,865)
Change in equity of equity-accounted investees	-	-	-	(23,467,212)	-	-	(23,467,212)
Change in gain on translation of foreign operations	-	-	-	53,991,967	-	(36,132,896)	17,859,071
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(170,418,665)</b>	<b>2,018,822,657</b>	<b>51,080,016</b>	<b>1,899,484,008</b>
<b>Transactions with shareholders directly recognized in equity</b>							
Dividends to owners of the Company	-	-	-	-	(66,944,610)	(2,553,942)	(69,498,552)
Capital contribution from non-controlling interests	-	-	-	-	-	191,354,614	191,354,614
Capital reduction to non-controlling interests	-	-	-	-	-	(537,229)	(537,229)
Foundation of Subsidiaries	-	-	-	-	-	-	-
<b>Balance at December 31, 2022</b>	<b>356,712,130</b>	<b>5,001,974,693</b>	<b>(345,131,584)</b>	<b>1,003,816,893</b>	<b>10,468,351,381</b>	<b>731,778,643</b>	<b>17,217,502,156</b>

## Consolidated Statements of Cash Flows (As of December 31, 2022 and 2021)

<i>(In thousands of won)</i>	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities</b>		
Profit for the year	2,039,361,448	1,250,401,560
Adjustments for expense (benefit)	1,283,815,711	1,187,697,644
Changes in assets and liabilities	(368,780,788)	(24,604,442)
Interest received	34,121,360	13,573,960
Interest paid	(81,139,252)	(48,651,258)
Dividends received	12,250,892	15,385,096
Income taxes paid	(278,533,207)	(217,775,202)
<b>Net cash provided by operating activities</b>	<b>2,641,096,164</b>	<b>2,176,027,358</b>
<b>Cash flows from investing activities</b>		
Sale of other investments	223,573,857	273,753,611
Proceeds from sale of property, plant and equipment	20,379,233	10,692,315
Proceeds from sale of intangible assets	1,122,015	1,746,072
Sale of subsidiaries, affiliates	19,709,386	1,389,603
Government grants received	52,827,228	86,857,352
Acquisition of other investment assets	(408,355,803)	(42,291,984)
Acquisition of property, plant and equipment	(2,808,898,170)	(2,254,718,266)
Acquisition of intangible assets	(4,583,865)	(2,291,915)
Acquisition of subsidiaries, affiliates	(42,010,000)	(24,670,000)
<b>Net cash used in investing activities</b>	<b>(2,946,236,119)</b>	<b>(1,949,533,212)</b>
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	1,239,602,699	1,443,570,249
Proceeds from long-term borrowings	807,737,420	881,522,739
Capital contribution from non-controlling interest	191,354,614	34,860,680
Dividends paid	(69,498,551)	(69,335,475)
Repayment of debentures	-	(370,000,000)
Repayment of short-term borrowings	(1,508,607,082)	(1,100,904,053)
Repayment of long-term borrowings	(1,296,152)	(205,899,907)
Capital reduction from non-controlling interest	(29,750)	(6,683,614)
Repayment of lease liabilities	(30,563,962)	(24,407,220)
<b>Net cash from financing activities</b>	<b>628,699,236</b>	<b>582,723,399</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>323,559,281</b>	<b>809,217,545</b>
Cash and cash equivalents at January 1	2,325,692,348	1,545,974,322
Effect of exchange rate fluctuations on cash held	(34,979,779)	(29,499,520)
<b>Cash and cash equivalents at December 31</b>	<b>2,614,271,850</b>	<b>2,325,692,347</b>

## Separate Statements of Appropriation of Retained Earnings (For the year ended December 31, 2022 and 2021)

(1) Retained earnings as of December 31, 2022 and 2021 are summarized as follows:

<i>(In thousands of won)</i>	<b>2022</b>	<b>2021</b>
Legal reserve	179,533,582	172,839,121
Discretionary reserve	6,198,238,000	5,679,798,000
Unappropriated retained earnings	4,090,579,799	2,663,836,213
Total	10,468,351,381	8,516,473,334

(2) Statement of retained earnings of the Parent Company in equity for the years ended December 31, 2022 and 2021 are summarized as follows:

<i>(In thousands of won)</i>	<b>2022</b>	<b>2021</b>
(i) Unappropriated retained earnings	931,049,574	592,092,760
- Retained Earnings from Previous Year	13,689	6,573
- Defined benefit plan actuarial gain	65,197,678	(4,463,656)
- Profit (loss) for the Year	865,838,207	596,549,843
(ii) Transfer of discretionary reserve	-	-
(iii) Changed retained earnings	(930,892,484)	(592,079,071)
- Legal reserve	(3,701,695)	(6,694,461)
- Dividends	(68,950,789)	(66,944,610)
- Reserve of facility	(858,240,000)	(518,440,000)
Total	157,090	13,689

(END)