

# 2026 SAMSUNG SDI Sustainability Report

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# Sustainability Report 2026

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## Report Overview

Samsung SDI has published its Sustainability Report, which presents the company's sustainability performance across its overall business operations. This Report is intended to transparently disclose Samsung SDI's sustainability initiatives and achievements, as well as the environmental and social impacts of its business activities, to its stakeholders. Moving forward, Samsung SDI will continue to strengthen ESG performance and disclosures to advance sustainable management.

## Reporting Period

This Report covers Samsung SDI's sustainability management activities and performance for the 2025 fiscal year (January 1, 2025 – December 31, 2025). For the sake of timeliness and materiality, it includes selected data from the first half of 2026. For data requiring an understanding of trends, figures from the past three years (2023–2025) are also presented.

## Reporting Scope

This Report presents the economic, social, and environmental information of Samsung SDI and its subsidiaries based on consolidated financial statements in accordance with K-IFRS. Where the reporting scope differs due to the divestiture of the polarizing film business, separate annotations are provided.

## Reporting Principles

This Report was prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021. It also reflects global recommendations, including the industry-specific standards of the Sustainability Accounting Standards Board (SASB), the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the European Sustainability Reporting Standards (ESRS), and the International Sustainability Standards Board (ISSB), to provide a wide range of sustainability information.

## Assurance of the Report

To enhance the objectivity and reliability of the Report, Samsung SDI underwent third-party assurance by the Korea Management Registrar, a professional independent assurance provider, which verified the report preparation process and disclosed data. Through this process, the credibility and objectivity of the information presented have been secured. The detailed assurance statement is provided on pages 97-98 of this Report.

## Reporting Cycle

Reporting Cycle | Annually

Previous Report Published | June 2025

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Samsung SDI publishes its Sustainability Report in an interactive PDF format to enhance reader understanding by enabling navigation within the Report and links to related web pages.

## References

[2025 Business Report](#)

[2025 Audit Report](#)

[2025 Corporate Governance Report](#)

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# INTRODUCTION

# CEO Message

## INTRODUCTION

### CEO Message

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Joo-Sun Choi,  
President and CEO of Samsung SDI

A handwritten signature in black ink that reads "Choi".

**Samsung SDI continues to strengthen its technological capabilities through innovation and challenge, while creating a better future through responsible management.**

**Dear valued stakeholders,**

**Thank you for your continued support for Samsung SDI.**

The year 2025 marked a period in which the role of batteries was redefined amid rapidly changing industry conditions. The expansion of AI data centers, the acceleration of automation across industries, and the growth of the robotics sector have positioned batteries not merely as components, but as core infrastructure and a foundation for future industries. Samsung SDI will turn these changes into new opportunities and make 2026 the first year of our turnaround.

**Under the belief that “technology is hope,” we remain focused on strengthening our competitiveness without wavering, even amid market volatility.**

Samsung SDI is leading the battery market for Energy Storage Systems (ESS), a core segment of the eco-friendly energy market, based on our advanced prismatic battery and safety technologies. We are also creating mid- to long-term growth momentum by securing differentiated technological capabilities and diversifying our portfolio, including mass production of prismatic lithium iron phosphate (LFP) and mid-nickel batteries, development of ultra-high-power and ultra-light small batteries, and development of semiconductor packaging materials and OLED materials.

In addition, we will continue to develop next-generation technologies, including all-solid-state batteries targeted for mass production in the second half of 2027, and actively secure core patents to further strengthen our industry-leading technological leadership.

**Samsung SDI remains committed to fulfilling its roles and responsibilities as a company by continuing sustainable management based on fundamentals.**

Since our declaration of environmentally friendly management in 2022, we have consistently carried out initiatives such as reducing greenhouse gas emissions, expanding renewable energy use, and strengthening resource circulation. We are also improving resource efficiency and working to minimize environmental impact through end-of-life battery recycling.

Furthermore, in response to evolving global regulatory environments, we are advancing our product carbon footprint management system and strengthening management across our supply chain. At the same time, we are building mutually beneficial partnerships based on shared growth with our partners, and embedding compliance and ethical management into our corporate culture to further reinforce trust with stakeholders.

**Building on our accumulated technological capabilities, Samsung SDI will continue to grow and deliver the highest value to our customers in 2026. We ask for your continued support and encouragement.**

**Thank you.**

# Company Overview

Samsung SDI operates two core business pillars: eco-friendly energy and advanced materials. The company develops and manufactures batteries for electric vehicles (EVs), Energy Storage Systems (ESS), and IT devices, as well as electronic materials used in semiconductors and displays. We strive to deliver superior quality and value to our customers by securing technological differentiation in global markets. Going forward, we will further strengthen our technology-driven competitiveness and advance as a company leading the transition toward a sustainable future.

## 2030 Corporate Vision

Samsung SDI has established its 2030 corporate vision to become a global top-tier company. Under the vision of “To make the world greener and sustainable through our innovative technology,” all employees are committed to moving forward together toward a shared goal.


## Samsung SDI at a Glance

Company Name  <b>Samsung SDI Co., Ltd.</b>	President & CEO  <b>Joo-Sun Choi</b>	Date of Establishment  <b>January 1970</b>
Headquarters  <b>150-20, Gongse-ro, Giheung-gu, Yongin-si, Gyeonggi-do, Republic of Korea</b>	Total Number of Employees(including overseas) as of Dec 31, 2025  <b>26,098</b>	
Total Number of Shares Outstanding common shares, as of Dec 31, 2025  <b>80,585,530</b>	Shareholders with 5% or More Ownership as of Dec 31, 2025  <b>Samsung Electronics Co., Ltd. and related parties: 16,288,568 shares(20.21%) National Pension Service: 5,577,516 shares(6.92%)</b>	

## To make the world greener and sustainable through our innovative technology

## Business Overview

Samsung SDI operates two business segments: the Energy Solutions Business, which produces and sells batteries for electric vehicles (EVs), IT devices, and Energy Storage Systems (ESS), and the Electronic Materials Business, which produces and sells materials for semiconductors and displays.

[Business Overview](#) 

## Financial Performance

(based on 2025 consolidated financial statements) (Unit: KRW 100 million)

Revenue  <b>132,667</b>	Operating Profit (Loss)  <b>(17,224)</b>
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## Global Network

Samsung SDI operates global bases, including its headquarters, R&D centers, production sites, and sales subsidiaries, across key domestic and overseas markets. Through its overseas subsidiaries and branches located around the world, the Company continues to strengthen its global business competitiveness.

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## R&D Approach

To help realize a sustainable and eco-friendly future, Samsung SDI strives to secure differentiated technological competitiveness by proactively introducing new products and technologies across the Automotive & ESS Battery, Mobile & Power Battery, and Electronic Materials Business. In the battery sector, we focus on strengthening safety, which is becoming ever more critical. We are also placing emphasis on extending the service life of batteries for Energy Storage System(ESS) and improving driving range and charging speed for automotive batteries to meet the rapidly growing market demand for ESS and EV(Electric Vehicle). In addition, we are concentrating our R&D efforts on securing price competitiveness and eco-friendly technologies for both small and medium/large batteries. In the Electronic Materials Business, we develop key materials for advanced IT products such as semiconductors, displays, and batteries, delivering products that ensure stable operation in customers' most advanced processes through exceptional technology.

[R&D Expenditures](#)

## R&D Organization Structure

Samsung SDI operates a structured R&D organization to strengthen global technology leadership. The R&D Center handles materials and next-generation battery R&D, while the Advanced Manufacturing R&D Center focuses on new process technologies and equipment. Each business division's development teams manage commercialized products; the Automotive & ESS and Mobile & Power Battery teams are located at Giheung, the Advanced Manufacturing R&D Center at Dongtan, and the R&D Center and Electronic Materials Business at the Samsung Future Technology Campus.

Samsung SDI has also established overseas R&D centers in Munich, Germany (SDIRE), Boston, U.S. (SDIRA), and Shanghai, China (SDIRC) to build a global R&D network, securing region-specific technological strengths at an early stage and further strengthening super-gap technology competitiveness.

[R&D Organizational Structure](#)

## Accelerating AI-driven Innovation

Samsung SDI is expanding the use of AI technology to shorten product development lead times, strengthen competitiveness of manufacturing and quality, and improve work productivity.

In the R&D area, AI has been introduced into simulations for new material development. When developing new materials to enhance battery performance, the number of possible combinations of organic and inorganic components reaches  $10^{40}$ , requiring significant time even with simulation-based research. By using AI to pre-select combinations with a high probability of achieving target performance, we have significantly reduced the number of experiments required. Moreover, while conventional product lifespan assessment took more than six months due to hundreds of charge-discharge cycles, long-term lifespan can now be predicted using one to two months of short-term validation data by augmenting the data with physics-based AI models. In the manufacturing and equipment area, AI is applied to detect product defects and equipment abnormalities. By introducing deep-learning into vision inspection of product appearance, which was previously based on statistical algorithms, we can now detect various types of defects more accurately and efficiently. AI is also applied to large volumes of equipment status data collected from manufacturing sites to quickly detect early signs of abnormality. This enables proactive inspection, maintenance, and repair before failures occur, thereby improving production efficiency.

Furthermore, we have established a system to collect and analyze not only internal production data but also operational data from Energy Storage System(ESS) installed at customer sites. This allows us to predict potential risks in advance and develop optimized operation services for customers using our products. In addition, we have built an AI portal system that enables employees to search internal information such as work regulations and production data through natural language queries. We are also enhancing work efficiency through initiatives such as AI-Crew activities, where employees directly develop AI models they need for their work.

## Open Innovation

Samsung SDI collaborates with leading domestic and overseas universities in battery research to secure next-generation battery technologies. Through industry-academia programs, we secure core battery component technologies and outstanding talent, while working with top-tier experts to develop highly advanced and differentiated technologies. In particular, in February 2026, through collaboration with Columbia University in the United States, we developed a new electrolyte composition that simultaneously improves the lifespan and safety of lithium-metal batteries. This achievement was published in the globally renowned academic journal Joule.

In addition, we operate overseas R&D centers to strengthen our global research capabilities. SDIRA in the United States focuses on next-generation batteries, SDIRE in Europe on recycling, and SDIRC in China on battery materials, reflecting the strengths of each region to secure innovative technologies at an early stage.

## Patent Management

Samsung SDI strengthens its intellectual property (IP) competitiveness by identifying technology trends through proprietary technology development and leading-edge R&D, while defining technology as a core asset. Since the early stages of its business, the company has consistently secured patents and built a diverse patent portfolio across the entire secondary battery and electronic materials sectors. Technologies related to trade secrets are registered and managed as internal technology assets to prevent external disclosure. As of the end of 2025, Samsung SDI holds 6,220 patents in Korea and 15,499 patents overseas.

[Cumulative Patent Registrations](#)

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## R&D Activities

### All Solid Battery

Samsung SDI is developing All Solid batteries that replace conventional liquid electrolytes with solid ones to enhance battery safety and energy density. We aim to achieve best-in-class energy density and performance by developing proprietary solid electrolyte materials and anode-less technology.

In March 2023, we completed a pilot line for All Solid batteries with an area of approximately 6,500m<sup>2</sup>. Prototype samples were delivered to key customers in December 2023, followed by A-samples in the second half of 2024. In October 2025, we also signed an agreement with BMW to jointly develop test vehicles, achieving meaningful progress. While development has primarily targeted automotive applications, we are recently expanding application areas and business opportunities into the physical AI market, which requires high safety and high power output. Samsung SDI will continue to secure related technologies and process technologies, with the goal of commencing mass production of All Solid batteries in 2027.

### 46-phi Cylindrical Battery

Samsung SDI began mass production of 46-phi cylindrical batteries for a U.S. customer's micro-mobility applications in the first quarter of 2025 and is expanding the application of this product to the EV (Electric Vehicle) sector. The Company has signed supply agreements with global automotive OEMs and entered into a joint development MOU with KG Mobility (KGM). These successive agreements with major OEMs demonstrate the differentiated technological competitiveness of our 46-phi cylindrical batteries in both domestic and global EV markets. Building on this momentum, we plan to continue expanding revenue in our battery business.



### Premium EV Platform Technology

Samsung SDI achieves high energy density for premium platform batteries by applying High-Ni NCA cathode materials and SCN anode materials to enhance driving range. We have also applied tabless technology to 46-phi cylindrical batteries to improve output and fast-charging performance, while continuously developing high-power materials.

### Volume Segment EV Platform Technology

Samsung SDI is developing Mid-Ni cathode materials for volume platform batteries, reducing cobalt content to enhance price competitiveness and increasing manganese content to improve battery lifespan. We plan to apply this material to mass production to strengthen our competitiveness in the volume EV battery market.

### Entry EV and ESS Platform Technology

Samsung SDI is developing LFP materials to enhance the price competitiveness of entry EV platforms and ESS batteries. We are accelerating the development of anode materials and organic materials for ESS, targeting mass production of LFP batteries for ESS by 2026. We are also securing cost competitiveness through proprietary product design optimization and process technology innovations, aiming to successfully introduce LFP into the ESS market and further strengthen our overall competitiveness.

### Electronic Materials Business Development

In the Electronic Materials Business, Samsung SDI develops key semiconductor process materials including EMC, fab materials and packaging materials, and strengthens display segment competitiveness through OLED and QD emissive materials and adhesive films for foldable displays. We will reinforce our leadership in the existing electronic materials market while securing a leading position in next-generation advanced materials markets.

## CASE

### [CES 2026 Best Innovation Award](#)

Samsung SDI received the Best Innovation Award at CES 2026 for its 18650 cylindrical battery, "SDI 25U-Power." Based on high-capacity cathode materials and Samsung SDI's proprietary anode material technology, this product applies tabless technology—previously used in 46-phi batteries—to the 18650 format to minimize resistance. As a result, output has doubled compared to conventional products. By effectively controlling heat generated during charging, the battery simultaneously achieves ultra-fast charging and long lifespan performance, and Samsung SDI plans to strengthen its competitiveness in the power tool market.

### [73rd Korea Engineering Award](#)

Kim Min-han, a researcher at the R&D Center, was selected as a recipient of the 73rd Korea Engineering Award by the Korea Industrial Technology Association, for his contribution to enhancing the secondary battery industry's competitiveness through developing the world's highest-capacity, long-life high-nickel cathode active material. The SDI high-nickel cathode material achieved the world's highest volumetric capacity while improving lifespan by more than 10%, securing a leading technological edge.

### [Minister of Trade, Industry and Energy Commendation on Battery Industry Day](#)

Jeon Seong-ho, a researcher at the R&D Center, received a commendation from the Minister of Trade, Industry and Energy at the 5th Battery Industry Day ceremony, recognized for his contribution to developing proprietary electrode technology enabling world-class performance—including ultra-fast charging in 9 minutes and a driving range of 700 km.

Jeon Seong-ho was recognized for designing an electrode structure that enables ultra-fast lithium-ion movement and developing differentiated low-resistance electrode materials, significantly contributing to advancements in fast-charging and high-capacity battery technologies.

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# ESG APPROACH

# Sustainability Management Strategic Framework

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## Focus Areas of Sustainability Management

Samsung SDI regards ESG management as a core strategy for business growth and a source of differentiated competitiveness. We have established focus areas across environmental, social, and governance domains to drive sustainability management.

Sustainability Focus Areas 

## Management of Value Chain ESG Risk and Opportunity

Samsung SDI identifies environmental and social risks across the entire value chain—including upstream, in-house operations, and downstream—and manages them systematically to explore potential opportunities. Through company-wide sustainability practices, we strive to mitigate non-financial risks and create new opportunities, thereby enhancing the value delivered to both internal and external stakeholders.

	Raw Material Sourcing and Manufacturing	Battery Manufacturing	Product Manufacturing and Use	Disposal (Resource Circulation)
				
<b>Impact</b>	<ul style="list-style-type: none"> <li>• Environmental and human rights impacts, including forced labor and child labor, in raw material sourcing and manufacturing processes</li> <li>• Environmental impacts such as water and soil pollution, and impacts on biodiversity caused by raw material sourcing and mining</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental impacts on local communities, including greenhouse gas emissions, energy consumption, and hazardous substances releases during battery manufacturing processes</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental impacts resulting from the expansion of production and use of eco-friendly and high-efficiency products</li> <li>• Impacts on customer trust through strengthened product safety and responsibility</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental impacts of establishing a virtuous resource circulation ecosystem through battery recycling</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• Potential decline in corporate reputation and brand value in the event of human rights risks in raw material sourcing and manufacturing processes</li> <li>• Increase in response costs due to strengthened global regulations such as the U.S. IRA and EU battery regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in operating costs due to mandatory calculation and disclosure of product carbon footprint</li> <li>• Increased risk of corporate reputation damage and potential disruption to business operations in the event of violations of domestic and international safety, labor, and human rights regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Decline in corporate reputation and consumer trust in the event of safety issues such as fire, product recalls, and personal injury accidents</li> <li>• Increase in facility investment and R&amp;D costs due to growing customer demand for renewable energy use and low-carbon battery production</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in response costs due to strengthened waste battery recycling regulations in major countries such as the U.S. and Europe</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• Enhancement of corporate credibility through the establishment of a responsible supply chain</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in market share by complying with regulations related to product carbon emission reduction and meeting customer requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Expansion of EV (Electric Vehicle) and ESS (Energy Storage System) product sales driven by global carbon neutrality initiatives</li> <li>• Strengthening of global partnerships through securing product reliability and sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• Improvement in operational efficiency through advancement of process scrap and waste battery recycling systems</li> </ul>
<b>Mitigation Measures</b>	<ul style="list-style-type: none"> <li>• Strengthening supply chain ESG due diligence, including own business sites</li> <li>• Participation in global initiatives such as RMI and GBA to establish a sustainable supply chain</li> </ul>	<ul style="list-style-type: none"> <li>• Conducting Life Cycle Assessment (LCA)</li> <li>• Calculating product carbon footprint and implementing reduction activities</li> </ul>	<ul style="list-style-type: none"> <li>• Establishing quality management principles and obtaining certification for quality management systems</li> <li>• Strengthening product safety management, including battery safety testing</li> </ul>	<ul style="list-style-type: none"> <li>• Recovering raw materials from waste batteries and scrap and expanding the use of recycled raw materials in products</li> <li>• Operating a recycling research lab under the R&amp;D Center</li> </ul>

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## Sustainability Management Governance

Samsung SDI's Board of Directors serves as the highest decision-making body for sustainability management and operates the Sustainability Management Committee under the Board. The Committee performs key sustainability-related responsibilities, including reviewing ESG issues, reviewing and approving the results of double materiality assessments, and monitoring company-wide ESG management progress and target achievement. It also manages sustainability issues that may have a significant impact on shareholder value. In addition, Samsung SDI operates the Sustainability Management Council, a C-level consultative body led by the CEO, to strengthen executive-level commitment to sustainability management.

The Sustainability Management Office, reporting directly to the CFO, establishes mid- to long-term sustainability strategies and manages key issues in an integrated manner. It supports the operation of both the Sustainability Management Council and the Sustainability Management Committee to ensure that major ESG agenda items are discussed and resolved in a timely manner by executive management and the Board of Directors. ESG teams are also established within each business division and operated in close collaboration with the Sustainability Management Office to drive company-wide sustainability management.

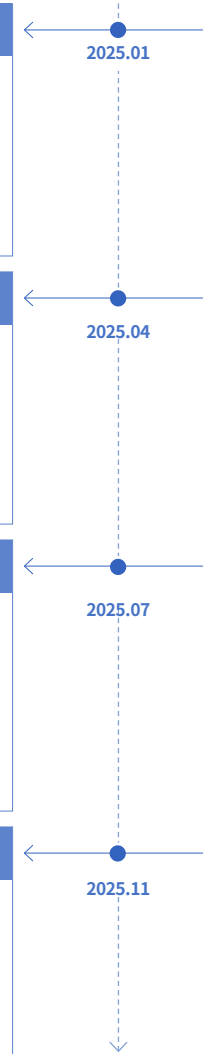
[Sustainability Management Operational Framework](#) 

## 2025 Sustainability Management Council Meeting Agenda

<b>January 16, 2025</b>	<ul style="list-style-type: none"> <li>• Global ESG trends update</li> <li>• 2024 sustainability management performance</li> <li>• 2025 sustainability management plan</li> </ul>
<b>April 23, 2025</b>	<ul style="list-style-type: none"> <li>• Global ESG trends update</li> <li>• Progress on sustainability management activities</li> </ul>
<b>July 8, 2025</b>	<ul style="list-style-type: none"> <li>• Global ESG trends update</li> <li>• Results of sustainability management activities for the first half</li> <li>• Establishment of supply chain due diligence policy</li> </ul>
<b>November 11, 2025</b>	<ul style="list-style-type: none"> <li>• Global ESG trends update</li> <li>• Progress on sustainability management activities</li> </ul>

## 2025 Sustainability Management Committee Meeting Agenda

<b>January 24, 2025</b>	<ul style="list-style-type: none"> <li>• Preliminary review of shareholder return policy</li> <li>• Global ESG trends update report</li> <li>• 2025 ESG management plan report</li> <li>• IR trends report</li> </ul>
<b>April 25, 2025</b>	<ul style="list-style-type: none"> <li>• Global ESG trends update report</li> <li>• 2025 RE100 implementation target report</li> <li>• Double materiality assessment results report</li> <li>• Environmental management policy enactment results report</li> <li>• IR trends report</li> </ul>
<b>July 31, 2025</b>	<ul style="list-style-type: none"> <li>• Global ESG trends update report</li> <li>• Sustainability Report 2025 publication results report</li> <li>• Progress on environmental management strategic initiatives report</li> <li>• Supply chain due diligence policy enactment results report</li> <li>• IR trends report</li> </ul>
<b>November 27, 2025</b>	<ul style="list-style-type: none"> <li>• Global ESG trends update report</li> <li>• Progress and targets for environmental management strategic initiatives report</li> <li>• IR trends report</li> </ul>



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## Incorporating ESG Performance in Executive Assessment

Samsung SDI has reflected sustainability management (ESG) performance in executive evaluations since 2022 to effectively manage ESG performance and strengthen accountability for ESG activities closely linked to each executive’s responsibilities. At the beginning of each year, ESG-related tasks and specific targets relevant to each executive’s role are incorporated into KPIs as part of the individual MBO process under an “ESG index.” At year-end, ESG performance achieved by each executive is included in the evaluation results, which are directly linked to the executive compensation system.

## Company-wide ESG Training

Samsung SDI conducted a company-wide ESG training program online in 2025 for domestic employees and overseas assignees to enhance employees’ understanding of ESG management. Out of 8,796 participants, 8,306 completed the program. The training covered the fundamental concepts of ESG and the ESG ecosystem, along with an overview of recent global ESG trends. It also helped employees understand that internal standards and management systems related to ESG—such as ethics and compliance and human rights—are key components of ESG management, while enhancing their understanding of the company’s material issues and major achievements. Through this program, employees recognized that ESG issues are closely linked not only to corporate management but also to their day-to-day work, and gained a better understanding of their roles and responsibilities from an ESG perspective.

# ESG Highlights

## ESG Assessment

Since being included in the DJ BIC Indices<sup>1)</sup> World in 2004 as the first Korean company, Samsung SDI has recorded the highest number of inclusions among Korean companies. In addition, Samsung SDI has continued to demonstrate strong performance in external ESG assessments, including achieving an AA rating in the MSCI ESG Rating<sup>2)</sup>, which corresponds to the Leader group.

- 1) Dow Jones Best-In-Class Indices: The former DJSI (Dow Jones Sustainability Indices), renamed and reorganized beginning in 2026. Based on S&P Global’s Corporate Sustainability Assessment (CSA), the indices select Best-in-Class companies by industry sector.
- 2) MSCI ESG Rating: A global index developed by MSCI (Morgan Stanley Capital International) that evaluates listed companies worldwide on their ability to manage industry-specific ESG risks and opportunities. Ratings are assigned on a seven-grade scale from AAA to CCC and are classified as AAA-AA: Leader, A-BBB-BB: Average, and B-CCC: Laggard.

ESG Assessment 

## ESG Initiatives

### Joining Global Initiatives

Samsung SDI voluntarily participates in global initiatives across various fields to strengthen sustainability management. Through these initiatives, we engage in global discussions and actively promote implementation measures on key topics such as renewable energy, social responsibility, the battery value chain, responsible minerals, and ecosystem protection. Going forward, Samsung SDI will continue to enhance its ESG leadership in alignment with global standards across the Environmental, Social, and Governance areas.

Participation in Global Initiatives 



RE100



United Nations  
Global Compact

UNGC



RMI



GBA

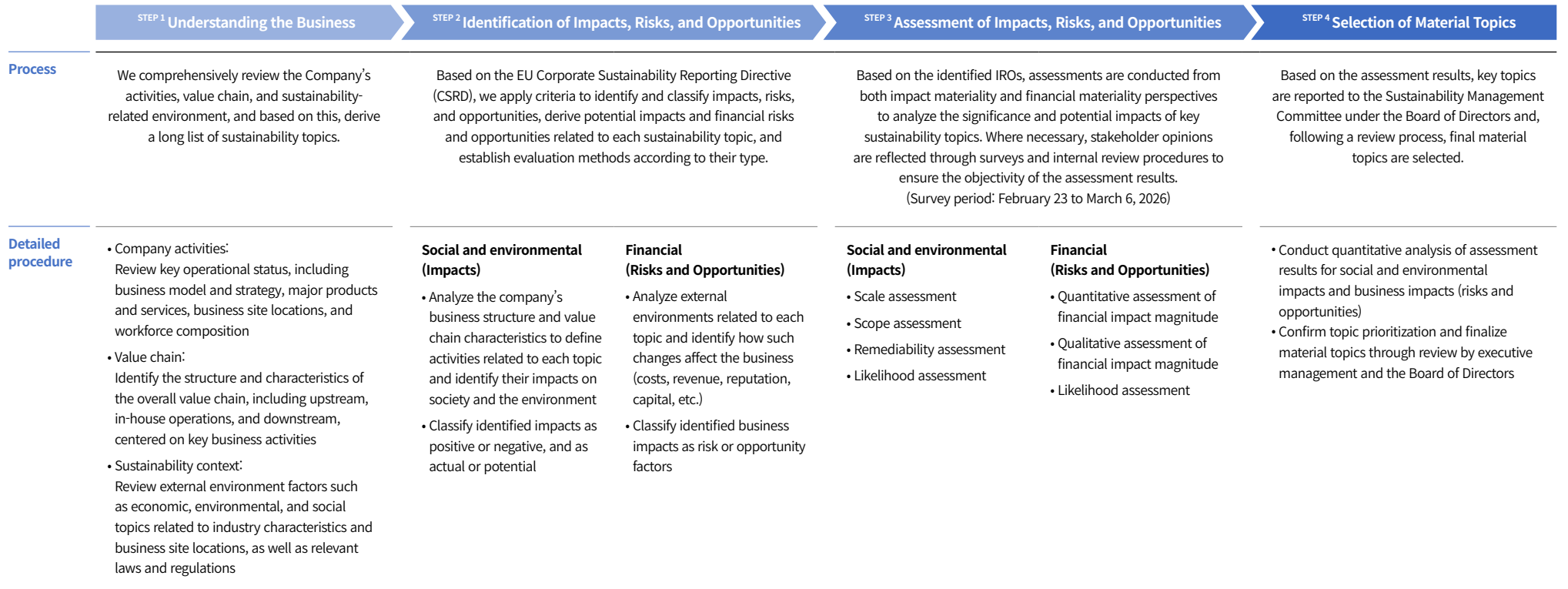


Cobalt for Development

# Double Materiality Assessment

## Double Materiality Assessment Process

Samsung SDI conducts double materiality assessments on a regular basis based on the Global Reporting Initiative (GRI Standards 2021) and the EU Corporate Sustainability Reporting Directive (CSRD). Based on an understanding of our business context, we identify sustainability topics material to the Company and assess both the impact of our business activities on society, the environment, and stakeholders, as well as the financial impact of external environmental changes. Key topics are identified through impact assessments, and the identified topics are finalized as material topics following final review and approval by the Board of Directors, the Company's highest decision-making body. The identified material topics are then integrated into the company-wide risk management process and managed accordingly.



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# Double Materiality Assessment

## Double Materiality Assessment Result




Results Legend: ●●●●● Very high impact ●●●●● High impact ●●●●● Moderate impact ●●●●● Low impact ●●●●● Very low impact

Material Topics	GRI	Value Chain	Social/Environmental Impact			Financial Impact		
			Category	Impact Description	Result*	Category	Impact Description	Result*
Supply Chain Sustainability Management	GRI 204-1 GRI 308 GRI 414	Entire value chain	Positive / Potential	<ul style="list-style-type: none"> <li>Impact of responsible minerals sourcing policies on protecting the environment and ensuring human rights in conflict-affected areas</li> <li>Impact of ESG assessment and monitoring of the supply chain on improving working conditions at partner companies</li> </ul>	●●●●●	Risk	<ul style="list-style-type: none"> <li>Risk of weakened supplier status if the Company fails to meet customer requirements as the entity responsible for mandatory supply chain due diligence</li> </ul>	●●●●●
						Opportunity	<ul style="list-style-type: none"> <li>Impact of enhancing the sustainability level and capabilities of key partner companies on maintaining long-term and stable customer relationships</li> </ul>	●●●●●
Occupational Health and Safety Management	GRI 403	Upstream, Own operations	Negative / Actual	<ul style="list-style-type: none"> <li>Impact of industrial safety incidents during the operation of production facilities on workers</li> </ul>	●●●●●	Risk	<ul style="list-style-type: none"> <li>Potential production disruptions due to process shutdowns and work suspensions caused by safety incidents</li> <li>Potential decline in corporate reputation and brand value due to industrial accidents and insufficient worker safety management</li> </ul>	●●●●●
			Positive / Actual	<ul style="list-style-type: none"> <li>Impact of occupational health and safety management systems at worksites on promoting a culture of safety across partner companies and the industrial ecosystem</li> </ul>	●●●●●	Opportunity	<ul style="list-style-type: none"> <li>Impact of minimizing occupational health and safety risks at worksites on securing production continuity and improving productivity</li> </ul>	●●●●●
Climate Change Response	GRI 201-2 GRI 305-1, 2, 3, 4, 5, 7	Entire value chain	Negative / Actual	<ul style="list-style-type: none"> <li>Impact of greenhouse gas emissions generated from raw material extraction and processing, battery manufacturing, and disposal on the environment</li> </ul>	●●●●●	Risk	<ul style="list-style-type: none"> <li>Potential increase in response costs due to strengthened greenhouse gas regulations</li> <li>Potential decline in production productivity due to disruptions in raw material supply and physical damage caused by climate change</li> </ul>	●●●●●
			Positive / Actual	<ul style="list-style-type: none"> <li>Impact of establishing climate change response systems and implementing mitigation activities on reducing greenhouse gas emissions and protecting the environment</li> </ul>	●●●●●	Opportunity	<ul style="list-style-type: none"> <li>Expansion of business opportunities in EV (Electric Vehicle) and ESS (Energy Storage System) markets driven by growing demand for low-carbon products and services</li> </ul>	●●●●●
Energy Management	GRI 302	Entire value chain	Negative / Actual	<ul style="list-style-type: none"> <li>Impact of the use of non-renewable energy in raw material extraction and processing, battery manufacturing, and disposal processes on the environment</li> </ul>	●●●●●	Risk	<ul style="list-style-type: none"> <li>Short-term increase in operating costs due to expanded procurement of renewable energy and the replacement and installation of high-efficiency equipment</li> </ul>	●●●●●
			Positive / Actual	<ul style="list-style-type: none"> <li>Impact of improving the efficiency of energy-intensive equipment and adopting renewable energy on the environment</li> </ul>	●●●●●	Opportunity	<ul style="list-style-type: none"> <li>Long-term improvement in cost efficiency and maintenance of customer relationships through energy savings and expanded use of renewable energy</li> </ul>	●●●●●
R&D and Product Innovation	Non GRI	Own operations	Positive / Actual	<ul style="list-style-type: none"> <li>Impact of infrastructure investments for R&amp;D on the local economy</li> <li>Impact of developing innovative products on the industrial ecosystem and the local community environment</li> </ul>	●●●●●	Risk	<ul style="list-style-type: none"> <li>Potential increase in R&amp;D investment and costs due to rapid technology innovation cycles</li> <li>Potential decline in customer trust and risk of contract termination in the event of failure to meet customer requirements</li> </ul>	●●●●●
						Opportunity	<ul style="list-style-type: none"> <li>Impact of launching new products and strengthening technological capabilities on enhancing customer trust and expanding into new markets</li> </ul>	●●●●●
Waste Management and Circular Economy	GRI 301 GRI 306	Own operations, Downstream	Negative / Actual	<ul style="list-style-type: none"> <li>Impact of waste and hazardous substances generated during end-of-life battery processing and recycling on human health and the environment</li> </ul>	●●●●●	Risk	<ul style="list-style-type: none"> <li>Potential risks to business continuity, including contract termination, in the event of failure to meet regulatory requirements</li> <li>Potential increase in operating costs due to expanded procurement and use of recycled raw materials</li> </ul>	●●●●●
			Positive / Actual	<ul style="list-style-type: none"> <li>Impact of resource circulation through end-of-life battery recycling on the environment</li> </ul>	●●●●●	Opportunity	<ul style="list-style-type: none"> <li>Expansion of the resource circulation market, including end-of-life battery recycling, driven by strengthened resource circulation regulations</li> </ul>	●●●●●

# Double Materiality Assessment

## Management of Material Topics for Value Creation

Samsung SDI systematically identifies and manages key sustainability topics that have a significant impact on its business operations to achieve sustainable growth and value creation. We analyze risks and opportunities associated with each topic and incorporate them into our business strategy. By setting measurable KPIs and regularly monitoring performance, we strive to drive continuous improvement and development.

Key Issue	Risks or Opportunities	Business Case	Business Impact	Business Strategy	Targets & Indicators	Implementation Status	Executive Compensation (KPI Linked)												
 Climate Change Response	<ul style="list-style-type: none"> <li>Risk of reduced productivity due to disruptions in raw material supply and physical damage caused by climate change</li> <li>Opportunity to contribute to carbon emission reduction through the expansion of low-carbon products</li> </ul>	<ul style="list-style-type: none"> <li>Potential increase in product costs and production expenses due to strengthened climate change-related regulations, including rising carbon credit prices</li> <li>Growing need to adopt eco-friendly and low-carbon technologies to reduce greenhouse gas emissions and improve energy efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Long-term improvement in operational cost efficiency through the transition to low-carbon production processes</li> <li>Enhancement of customer and investor trust through proactive climate change response</li> </ul>	<ul style="list-style-type: none"> <li>Establish a 2050 Net-Zero roadmap</li> <li>Implement effective greenhouse gas reduction initiatives, including expansion of Life Cycle Assessment (LCA) and transition to renewable energy</li> </ul>	GHG emissions (Scope 1+2) <table border="1"> <tr> <td>2025</td> <td>1.05 million tCO<sub>2</sub>e (Actual)</td> </tr> <tr> <td>2030</td> <td>0.80 million tCO<sub>2</sub>e</td> </tr> </table>	2025	1.05 million tCO <sub>2</sub> e (Actual)	2030	0.80 million tCO <sub>2</sub> e	<ul style="list-style-type: none"> <li>Establish and operate a governance framework for climate change response</li> <li>Promote investment in and development of low-carbon and high-efficiency facilities at worksites</li> <li>Conduct Life Cycle Assessment (LCA) for products</li> <li>Build EV (Electric Vehicle) and electric bus charging infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of greenhouse gas emissions</li> </ul>								
2025	1.05 million tCO <sub>2</sub> e (Actual)																		
2030	0.80 million tCO <sub>2</sub> e																		
 Energy Management	<ul style="list-style-type: none"> <li>Risk of increased energy costs due to strengthened climate change-related regulations</li> <li>Opportunity to reduce energy costs and carbon emissions through the transition to renewable energy</li> </ul>	<ul style="list-style-type: none"> <li>Continued increase in cost burdens associated with climate change response, including higher energy procurement costs and rising carbon credit prices</li> <li>Expanding requirements and expectations for participation in global initiatives such as RE100</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in operating costs through decreased energy use and improved efficiency</li> <li>Strengthening of long-term relationships with global customers through expanded adoption of renewable energy</li> </ul>	<ul style="list-style-type: none"> <li>Improve energy efficiency through process innovation</li> <li>Expand renewable energy sourcing, including Power Purchase Agreements (PPA) and renewable energy certificate purchases</li> </ul>	Renewable energy transition rate <table border="1"> <tr> <td>2025</td> <td>38% (Actual)</td> </tr> <tr> <td>2030</td> <td>86%</td> </tr> </table>	2025	38% (Actual)	2030	86%	<ul style="list-style-type: none"> <li>Develop and adopt energy-saving technologies for each domestic and overseas worksite</li> <li>Expand investment for the transition to renewable energy</li> <li>Establish and operate a company-wide energy management system through ISO 50001 certification</li> </ul>	<ul style="list-style-type: none"> <li>Achievement of renewable energy transition targets</li> </ul>								
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2030	86%																		
 Waste Management and Circular Economy	<ul style="list-style-type: none"> <li>Potential operational risks due to rising waste treatment costs and resource depletion</li> <li>Opportunity to secure stable raw material supply through the establishment of a circular economy</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened regulations and growing external demands for waste reduction and expanded use of recycled raw materials</li> <li>Increasing requirements to secure raw materials through the establishment of a circular economy, under regulations such as the EU Battery Regulation</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in operational cost efficiency through reduced waste treatment costs and expanded resource circulation</li> <li>Securing a sustainable raw material supply foundation through the establishment of a circular economy system</li> </ul>	<ul style="list-style-type: none"> <li>Establish a resource circulation system, including waste recycling</li> <li>Continuously enhance waste recycling rates</li> </ul>	<table border="1"> <tr> <td>Waste recycling rate</td> <td> <table border="1"> <tr> <td>2025</td> <td>94.8% (Actual)</td> </tr> <tr> <td>2030</td> <td>96.5%</td> </tr> </table> </td> </tr> <tr> <td>Recycled metal usage rate</td> <td> <table border="1"> <tr> <td>2025</td> <td>15% (Actual)</td> </tr> <tr> <td>2030</td> <td>26%</td> </tr> </table> </td> </tr> </table>	Waste recycling rate	<table border="1"> <tr> <td>2025</td> <td>94.8% (Actual)</td> </tr> <tr> <td>2030</td> <td>96.5%</td> </tr> </table>	2025	94.8% (Actual)	2030	96.5%	Recycled metal usage rate	<table border="1"> <tr> <td>2025</td> <td>15% (Actual)</td> </tr> <tr> <td>2030</td> <td>26%</td> </tr> </table>	2025	15% (Actual)	2030	26%	<ul style="list-style-type: none"> <li>Establish and operate a circular economy system centered on end-of-life battery recycling</li> <li>Obtain Zero Waste to Landfill (ZWTL) Platinum certification at domestic and overseas sites</li> <li>Expand the scope of certified circular resources</li> </ul>	<ul style="list-style-type: none"> <li>Achievement of recycled metal usage targets</li> </ul>
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## Stakeholder Engagement and Communication

### Stakeholder Communication Activities in 2025

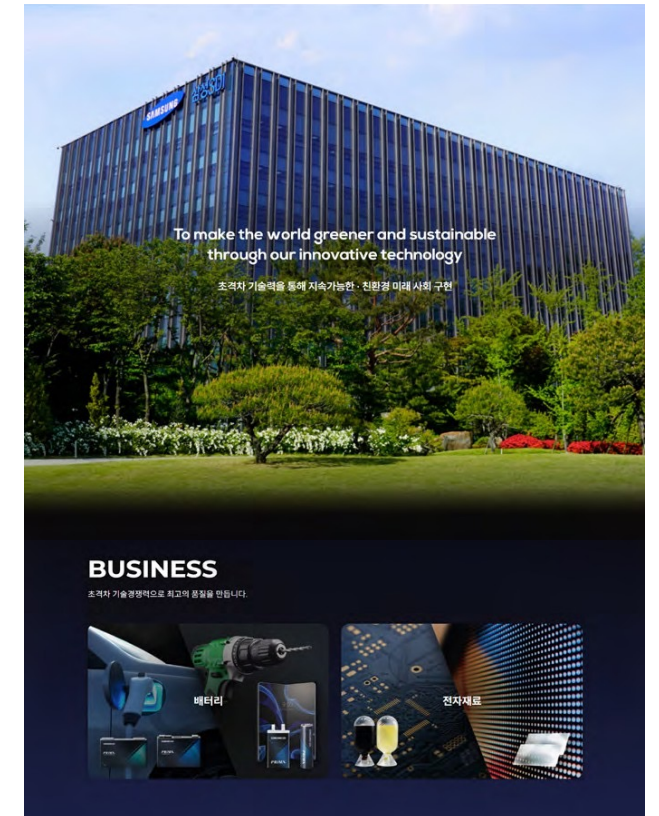
Samsung SDI defines its key stakeholders as customers, partner companies, governments, industry associations, universities, research institutes, local communities, civic organizations, employees, shareholders, and investors. We operate communication channels tailored to each group to effectively gather diverse feedback and actively reflect it across our business operations, thereby strengthening collaboration with both internal and external stakeholders.

Stakeholders	2025 Communication Activities		Value Creation Plans
Customers	<ul style="list-style-type: none"> <li>Customer visits</li> <li>Corporate website</li> </ul>	<ul style="list-style-type: none"> <li>QBR (Quarterly Business Review) meetings</li> <li>QTR(Quarterly Technical Review) meetings</li> </ul>	<ul style="list-style-type: none"> <li>Enhance product safety and eco-friendliness</li> <li>Provide timely information through diverse communication channels</li> </ul>
Shareholders & Investors	<ul style="list-style-type: none"> <li>IR earnings conference calls</li> <li>IR NDR (Non-Deal Roadshow) activities</li> <li>IR website and investor hotline</li> </ul>	<ul style="list-style-type: none"> <li>Hosting of shareholders' meetings</li> <li>Ongoing IR conferences and ad-hoc meetings</li> <li>Public disclosures</li> </ul>	<ul style="list-style-type: none"> <li>Establish sound corporate governance</li> <li>Expand shareholder returns by enhancing corporate value</li> <li>Strengthen business competitiveness</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Labor-management council operations</li> <li>Open consultation center operations</li> <li>Business briefing sessions</li> <li>Employee satisfaction surveys</li> </ul>	<ul style="list-style-type: none"> <li>Change Agent</li> <li>SDI talk</li> <li>Global SDI talk</li> <li>Internal newsletters</li> </ul>	<ul style="list-style-type: none"> <li>Foster a safe and human rights-respecting work environment</li> <li>Build an advanced organizational culture</li> <li>Support employee competency development</li> <li>Improve quality of life through employee welfare programs</li> </ul>
Partners	<ul style="list-style-type: none"> <li>Operation of procurement portal system</li> <li>SSP(Samsung SDI Partner's Association)</li> <li>Hosting partner exchange programs</li> </ul>		<ul style="list-style-type: none"> <li>Establish fair trade principles and operate a performance-sharing system</li> <li>Enhance business competitiveness by supporting partners with consulting, technology, human resources, and funding</li> <li>Support improvement in ESG management standards</li> </ul>
Local Communities	<ul style="list-style-type: none"> <li>Social contribution activities</li> </ul>		<ul style="list-style-type: none"> <li>Participate in social contribution activities to help address local community issues</li> <li>Contribute to revitalizing the local economy</li> </ul>
Academia, Industry Associations & Research Institutes	<ul style="list-style-type: none"> <li>Participation in associations and academic society activities</li> <li>Open innovation R&amp;D initiatives</li> <li>Joint collaboration programs</li> </ul>		<ul style="list-style-type: none"> <li>Support research and development</li> <li>Expand industry-academia collaboration</li> </ul>
Government	<ul style="list-style-type: none"> <li>Participation in national policy projects</li> <li>Joint collaboration programs</li> </ul>		<ul style="list-style-type: none"> <li>Comply with government policies and legal regulations</li> <li>Pay taxes faithfully</li> <li>Disclose information transparently</li> </ul>
Media	<ul style="list-style-type: none"> <li>Provision of timely, transparent, and accurate information</li> <li>Distribution of press releases and newsletters related to products, technologies, and markets</li> </ul>		<ul style="list-style-type: none"> <li>Communicate swiftly and transparently with the media</li> <li>Provide accurate and diverse information</li> </ul>

### Key Communication Channels

Samsung SDI strives to share the latest company updates in a timely manner through various communication channels and to identify stakeholder needs and actively reflect them in management. We continue to strengthen communication with stakeholders by providing industry trends and practical information, as well as content that helps stakeholders easily understand Samsung SDI's business, products, and technologies.

[Samsung SDI Website](#)
[Samsung SDI Newsroom](#)
[Samsung SDI YouTube Channel](#)



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## Climate Change Response Governance

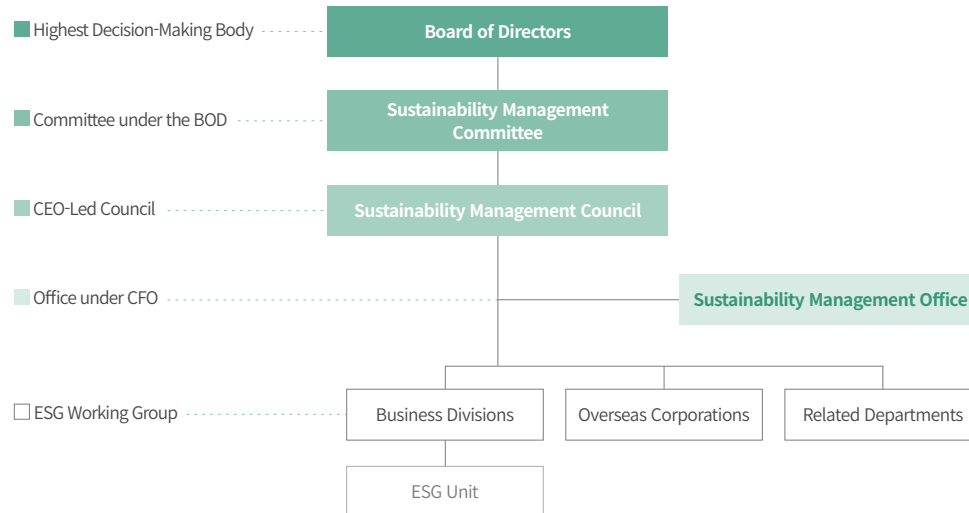
### Role of Leadership

Samsung SDI operates the Sustainability Management Council, a C-level consultative body chaired by the CEO, to strengthen executive leadership in climate change response. The Council convenes quarterly to report, discuss, review, and make decisions on key climate-related issues and tasks, and it is the largest CEO-chaired meeting within the Company. In 2025, the Council was held four times to review the progress and issues related to climate response strategic initiatives. Details of its operations are available on page 11.

In addition, the Sustainability Management Office, established under the direct supervision of the Chief Financial Officer (CFO), strengthens company-wide climate change governance. The Office identifies climate-related risks and opportunities and establishes company-wide response strategies aligned with business strategy. It also supports the operation of the Sustainability Management Committee and the Sustainability Management Council, and works closely with ESG teams in business divisions, overseas corporations, and relevant departments to expand and strengthen sustainability management across the company.

Furthermore, to reinforce executive accountability for climate change, relevant executives (including the CFO) are evaluated based on MBO indicators that include climate-related issues. The evaluation results are reflected in decisions on compensation and promotion, and additional incentives equivalent to a certain percentage of annual salary are granted accordingly.

### Governance Structure for Climate Change Response



## Risk Management Process

Samsung SDI's climate-related risk and opportunity management process is integrated into the company-wide risk management framework. We operate a structured process in which climate-related risks are identified and assessed, their impacts are analyzed, and response strategies and decision-making are established based on their level of influence on the business.

Based on the ISO 14001 environmental management system implemented across all business sites, relevant departments—including EHS, Infrastructure, Marketing, and Procurement—identify climate-related impacts associated with external regulations and trends, internal operations, and products.

The Sustainability Management Office and the ESG Working Group analyze the identified risks and opportunities by considering their financial impact, timing of occurrence, and current response level, and prioritize them accordingly. The results are reported to the company-wide Sustainability Management Council, which convenes quarterly to discuss response strategies and implementation plans. Critical risks are further reported to the Sustainability Management Committee and the Board of Directors for final decision-making. In addition, country-specific regulatory risks related to climate change are incorporated into company-wide business decision-making and managed in an integrated manner.

### Risk Management Process

#### Risk Identification and Assessment



- 1 Identify enterprise-wide risks based on ISO 14001
- 2 Identify risk and opportunity factors and assess their impact

#### Risk and Opportunity Management



- 3 Prioritize issues and develop response strategies and implementation plans
- 4 Report to the Sustainability Management Council
- 5 Report and seek resolutions from the Sustainability Management Committee and the Board of Directors
- 6 Execute plans across business divisions and relevant departments
- 7 Monitor through the Sustainability Management Office

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## Climate Change Response Strategy

### Identified Climate-Related Risks and Opportunities

Samsung SDI identifies climate-related physical and transition risks and opportunities, analyzes their potential impacts on the Company, and establishes and implements response strategies accordingly. Based on leading global disclosure and assessment guidelines<sup>1)</sup>, we derive a pool of risk and opportunity factors, select key factors through peer industry analysis, stakeholder surveys, and roundtable discussions with relevant departments, and assess materiality and the expected timing of impact for each factor. For physical risks, we leverage Jupiter Intelligence™, a global climate modeling service, to assess the level of impact across different time horizons using a more scientific approach.

	Risks and Opportunities	Description	Expected Impact Timeline <sup>2)</sup>		
			Short-term	Mid-term	Long-term
Physical Risks	Acute	• Typhoons	Financial impact over time estimated using Jupiter Intelligence™ climate modeling service.		
	Chronic	• Drought			
Transition Risks		• Increased carbon pricing		●	
	Policy & Legal	• Changes in domestic and international laws/regulations		●	
		• Sanctions and litigation due to regulatory noncompliance		●	
	Technology	• Development of low-carbon products/services		●	
	Market	• Inadequate response to customer preference for low-carbon products/services		●	
Opportunities	Resource Efficiency	• Transition to low-carbon manufacturing processes			●
		• Recycling and reuse of products/materials		●	
	Energy Sources	• Reduction in production costs		●	
	Products & Services	• Increased sales of low-carbon products <sup>3)</sup>		●	

### Impact on Business Model and Value Chain

Samsung SDI identifies the impacts of climate-related risks and opportunities from the perspective of its business model and value chain. The company's core businesses consist of the Energy Solutions segment, centered on batteries supplied for EV (Electric Vehicle) and ESS (Energy Storage System), and the Electronic Materials Business, focused on materials for semiconductors and displays. Among these, the battery manufacturing and sales business is expected to be most significantly affected by the level of climate change mitigation and adaptation. Accordingly, Samsung SDI identifies and manages climate-related risks and opportunities across the value chain stages of raw material mining and processing (Upstream), battery manufacturing (Own Operation), and end-of-life management (Downstream).

At the raw material mining and processing stage, Samsung SDI is strengthening collaboration with partner companies to expand the use of recycled and reused materials in line with global policy changes such as the EU Battery Regulation. These efforts are closely linked to reducing product carbon footprints and transitioning to renewable energy in the battery manufacturing stage. Enhancing climate response systems—such as reducing greenhouse gas emissions during production—is expected to strengthen order competitiveness and create opportunities for expanding product sales. At the end-of-life stage, Samsung SDI is advancing its closed-loop system in response to strengthened requirements for end-of-life battery management and recycling. The Company will continue to assess the impacts of climate change on its business model and value chain, and will pursue risk management and opportunity creation through the establishment of response strategies and ongoing monitoring.

### Impacts on the Value Chain: Risks and Opportunities

Category	Value Chain Stage	Impact	Description
			Anticipated Risks (-) and Opportunities (+)
Upstream	Raw material mining and processing	Greenhouse gas emissions during raw material extraction and processing	(-) Increased compliance costs due to strengthened global regulations on raw material sourcing, such as the EU Battery Regulation (+) Enhanced corporate credibility through the establishment of a responsible supply chain
Samsung SDI	Battery manufacturing	Greenhouse gas emissions and energy consumption during battery manufacturing	(-) Increased costs for facilities and R&D to decarbonize production processes, as well as investments in HVAC systems and water reuse (+) Proactive response through Life Cycle Assessment (LCA) implementation and carbon footprint reduction to meet customer requirements and increase market share, along with cost savings through improved efficiency in energy and water use
		Contribution to a low-carbon society through expansion of EV and ESS production and usage	(-) Increased capital investment, operating, and development costs driven by customer requirements related to carbon footprint assessment and reduction, and renewable energy transition (+) Expansion of EV (Electric Vehicle) and ESS (Energy Storage System) battery sales driven by global carbon neutrality initiatives and rising energy demand
Downstream	End-of-life	Resource circularity through battery recycling	(-) Increased compliance costs due to strengthened end-of-life battery recycling regulations (+) Improved operational efficiency and creation of circular economy-based business opportunities through enhancement of the closed-loop system

1) CDP (Carbon Disclosure Project), TCFD (Taskforce on Climate-related Financial Disclosures)

2) The timing of anticipated impact is defined with reference to international and domestic disclosure standards, including IFRS S2 Climate-related Disclosures and the Korea Sustainability Standards Board (KSSB), as follows: short-term (within 1 year), medium-term (over 1 year and up to 5 years), and long-term (over 5 years)

3) In accordance with environmental classification standards such as the EU Taxonomy and K-Taxonomy, Samsung SDI defines products used in EV (Electric Vehicle) and ESS (Energy Storage System) battery segments as low-carbon products

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## Efforts Toward Climate Change Mitigation and Adaptation

Samsung SDI conducts inspections, maintenance, and monitoring of key facilities to prepare for physical risks such as typhoons and droughts, and plans to enhance its management system based on analysis results from Jupiter Intelligence™. To address transition risks, the company monitors global trends such as carbon pricing and climate-related laws and regulations, while implementing greenhouse gas reduction and mitigation strategies in line with its net-zero roadmap. These efforts include investments in technologies and facilities for transitioning to low-carbon products and processes, as well as strengthening collaboration with partner companies and customers to reduce product carbon footprints.

On the opportunity side, Samsung SDI develops and produces products that proactively respond to customer requirements and global trends by expanding battery recycling and reuse and transitioning to renewable energy. Through continuous R&D on its core product—batteries—the company aims to contribute to the transition to a low-carbon society while enhancing corporate competitiveness through stable revenue generation.

### Current Actions and Future Plans for Mitigation and Adaptation

Climate-related Risks and Opportunities	Current Actions	Future Plans
Physical Risk	Typhoon	• Inspect and maintain key structures, and obtain disaster insurance
	Drought	• Expand water reuse and reduce water intake
Transition Risk	Increased carbon pricing	• Establish and implement strategies to reduce direct greenhouse gas emissions
	Changes in domestic and international laws/regulations	• Promote net-zero and transition to renewable energy • Establish an LCA (Life Cycle Assessment) system • Manage greenhouse gas emissions on a consolidated basis
	Sanctions and litigation due to regulatory noncompliance	• Monitor global regulations and establish response strategies
	Development of low-carbon products/services	• Invest in technologies for product decarbonization and efficiency improvement
	Inadequate response to customer preference for low-carbon products/services	• Expand implementation of the LCA system and increase the use of renewable energy
Opportunity	Transition to low-carbon manufacturing processes	• Achieve annual reduction targets for electricity and LNG consumption • Implement reduction initiatives such as replacing outdated facilities and improving operational efficiency • Optimize production efficiency through process logistics simulation • Optimize in-process logistics and floor space utilization through automation
	Recycling and reuse of products/materials	• Expand the recycling rate of key raw materials
	Reduction in production costs	• Join RE100 and declare a target of 100% renewable energy transition by 2050 • Operate environmental management strategic initiatives • Introduce technologies to reduce energy consumption and improve energy efficiency
	Increased sales of low-carbon products	• Investment in technologies for product decarbonization and efficiency improvement

### GHG Emissions Management

Samsung SDI is implementing various initiatives to reduce direct greenhouse gas emissions (Scope 1) across all domestic and overseas manufacturing sites, including reducing LNG consumption. In 2025, through initiatives such as controlling dehumidifier regeneration temperatures based on dry room dew point and optimizing energy use for idle production lines, Samsung SDI reduced an additional 25,000 tons of greenhouse gas emissions on top of the cumulative 32,000 tons reduced in 2024, bringing total direct greenhouse gas emissions reductions to 57,000 tons.

Direct GHG Emissions Reduction 

### Renewable Energy Transition

Samsung SDI joined the RE100 initiative in 2022 and is increasing its renewable energy transition rate under the goal of converting 100% of the electricity used at all domestic and overseas sites to renewable energy by 2050. As part of these efforts, the renewable energy transition rate reached 38% in 2025, reducing greenhouse gas emissions by approximately 530,000 tons. In 2025, Samsung SDI additionally signed a PPA at the Ulsan site, while the Malaysia corporation newly entered into a PPA. Power supply for both sites is scheduled to commence within 2026.

Renewable Energy Transition 

### Internal Carbon Pricing

Samsung SDI has introduced an internal carbon pricing mechanism to promote low-carbon investment and assess the financial impact of climate change, and reflects it in budget planning, including the establishment of provisions. The internal carbon price is set annually by monitoring trends in emission allowance prices. During the annual business planning process, the internal carbon price is reviewed and adjusted based on updated outlooks, contributing to greenhouse gas emission reduction targets and the implementation of transition plans.

### Carbon Footprint System Establishment

Samsung SDI is establishing a system to respond to EU regulations and customer requirements related to battery carbon footprints. At the end of 2025, the Company completed the development of a system that enables automatic collection of activity data required for carbon footprint calculation at the product level. Based on this, Samsung SDI is currently building a carbon footprint calculation system. Using this system, the company plans to calculate and disclose the carbon footprint of batteries it manufactures.

### EV and Electric Bus Infrastructure Development

Samsung SDI has joined the “K-EV100” initiative led by the Ministry of Environment and is implementing, in phases, its commitment to convert 100% of its owned and leased vehicles to zero-emission vehicles by 2030. In 2024, the Company introduced two high-floor electric buses equipped with Samsung SDI batteries, and added one more unit in 2025, using them to support employee commuting and inter-site shuttle services. In addition, electric vehicle chargers have been installed in the parking lots of all business sites, and are operated beyond the regulatory requirement that at least 2% of total parking spaces be designated for EV charging.

Adoption of Zero-Emission Vehicles 

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## Impact on Financial Position, Performance, and Cash Flow

### Analysis of Physical Risk

#### [Overview and Approach]

Samsung SDI utilizes Jupiter Intelligence™, a global climate risk assessment tool, to conduct scientifically grounded physical risk analysis. Jupiter Intelligence™ evaluates physical risks associated with major natural hazards based on the Shared Socioeconomic Pathway (SSP) scenarios used in the IPCC<sup>1)</sup> Sixth Assessment Report. Samsung SDI applied three SSP scenarios, including net-zero and high-emissions pathways, and this report includes analysis results through 2050 in alignment with the company's carbon neutrality target timeline.

The physical risk analysis was conducted across nine major production and sales sites<sup>2)</sup> in Korea and overseas, assessing the risk levels of eight hazards (flooding, typhoons, heatwaves, cold waves, drought, heavy rainfall, hail/thunderstorms, and wildfires). Among these, financial impacts were assessed for five hazards (typhoons, heatwaves, drought, heavy rainfall, and wildfires).

#### Climate Scenarios Utilized

Physical Risk Level	SSP Scenario	SSP scenarios model future socio-economic conditions by incorporating factors such as population, economy, energy, and technology policies that influence climate change
Low	SSP1-2.6	Scenario where the development of renewable energy technologies enables environmentally friendly and sustainable economic growth.
	SSP2-4.5	Scenario reflecting moderate levels of climate change mitigation and socio-economic development.
High	SSP5-8.5	Scenario where rapid industrial and technological development is centered around fossil fuel use and unrestrained resource exploitation.

1) Intergovernmental Panel on Climate Change (IPCC)

2) Korea (Giheung, Suwon, Cheonan, Ulsan, Cheongju, Gumi), Hungary, Tianjin (China), and Malaysia.

#### [Overall Analysis Results]

##### Site-Level Risk Exposure

Samsung SDI confirmed through Jupiter Intelligence™ that overall exposure to physical risks is not material across all climate scenarios, including SSP5-8.5. Compared with 2025, heatwaves and heavy rainfall are expected to show increased risk exposure by 2050; however, the company continues to manage and mitigate these risks through efficient operation of cooling and HVAC systems and reinforcement of infrastructure stability.

##### Analysis of Physical Risk Exposure by Site<sup>3)</sup>

Category	Flood	Typhoon	Heatwave	Cold Wave	Drought	Heavy Rain	Hail/Thunderstorm	Wildfire
Exposed to high risk both now and in the future	-	-	Tianjin, Malaysia	-	-	Tianjin	-	-
New risk emerging in the future compared to the present	Tianjin	-	Giheung, Suwon, Cheonan, Ulsan, Cheongju, Gumi, Hungary	-	-	-	Cheonan	-
Manageable level of risk rising in the future	-	Ulsan, Cheongju, Gumi	-	-	Giheung, Suwon, Cheonan, Ulsan, Cheongju, Gumi	Giheung, Suwon, Cheonan, Ulsan, Cheongju, Gumi, Malaysia	-	-
Low risk both now and in the future, or risk reduced in the future	Giheung, Suwon, Cheonan, Ulsan, Cheongju, Gumi, Hungary, Malaysia	Giheung, Suwon, Cheonan, Hungary, Tianjin, Malaysia	-	Giheung, Suwon, Cheonan, Ulsan, Cheongju, Gumi, Hungary, Tianjin, Malaysia	Hungary, Tianjin, Malaysia	Hungary	Giheung, Suwon, Ulsan, Cheongju, Gumi, Hungary, Tianjin, Malaysia	Giheung, Suwon, Cheonan, Ulsan, Cheongju, Gumi, Hungary, Tianjin, Malaysia

3) Based on the 4°C scenario, analyzing changes in risk levels from the present (2025) to the future (2050).

##### Financial Impact by Hazard Type

Based on the analysis, financial losses from physical risks are not expected to have a material impact on Samsung SDI. Under the SSP5-8.5 scenario for 2050, typhoons (acute) and droughts (chronic) were identified as relatively higher financial impact risks. For typhoons, both direct damage to facility assets and indirect losses from operational disruptions during recovery periods were considered. Among the nine major sites, the Ulsan plant in Korea showed relatively higher exposure to typhoon risk; however, this remains at a manageable level with no significant changes expected. For droughts, six domestic sites showed higher exposure, but gradual mitigation is anticipated. The financial impact of heatwaves, heavy rainfall, and wildfires was assessed to be minimal.

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## Impact on Financial Position, Performance, and Cash Flow

### Analysis of Transition Risks and Opportunities

Samsung SDI evaluates the financial impacts of identified key transition risks and opportunities using an internally developed methodology. Furthermore, by linking these impacts to relevant accounting items and assessing their effects on the company's financial position, financial performance, and cash flows, the company proactively prepares for mandatory global climate disclosures such as IFRS S2.

Risks and Opportunities		Financial Impacts over Short-, Mid-, and Long-term Considering Strategy		
		Pathways of Financial Impact		Linkage to Financial Statement Line Items
Transition Risks	Policy and regulation	Rising carbon prices	<ul style="list-style-type: none"> <li>Increased emission allowance purchase costs due to reduced free allocation</li> <li>Partial offset of carbon costs through reduced emissions from Net-Zero strategy execution</li> </ul>	<ul style="list-style-type: none"> <li>SG&amp;A</li> <li>Operating cash flow</li> </ul>
	Technology	Transition to low-carbon production processes	<ul style="list-style-type: none"> <li>Increase in assets and depreciation from capex for low-carbon production facilities</li> <li>Investment costs related to Net-Zero strategy (e.g., reduction in LNG and electricity usage)</li> </ul>	<ul style="list-style-type: none"> <li>Property, plant and equipment</li> <li>Operating expenses</li> <li>Operating cash flow</li> <li>Investing cash flow</li> </ul>
Opportunities	Energy source	Reduction in production costs	<ul style="list-style-type: none"> <li>While renewable energy purchases and self-generation incur operating and investment costs, electricity costs decline as conventional power usage is replaced</li> <li>Reduced emission allowance purchase costs through lower use of non-renewable energy sources (LNG, electricity)</li> </ul>	<ul style="list-style-type: none"> <li>Operating expenses</li> <li>Property, plant and equipment</li> <li>Operating cash flow</li> <li>Investing cash flow</li> </ul>
	Products and services	Increase in low-carbon product revenue	<ul style="list-style-type: none"> <li>Revenue growth driven by EV market expansion and increased renewable energy generation, leading to higher battery market share</li> </ul>	<ul style="list-style-type: none"> <li>Revenue</li> <li>Operating cash flow</li> </ul>

- ※ Due to factor-specific characteristics and data limitations, the financial impact of the following items has not been quantified.
- Changes in domestic and international laws/regulations: Adoption of delegated acts related to carbon footprint under the EU Battery Regulation is delayed, and detailed criteria remain undefined.
  - Sanctions and litigation due to regulatory noncompliance: The company continues to implement policies and activities to minimize compliance risks and does not assume scenarios involving regulatory violations.
  - Inadequate response to customer preference for low-carbon products/services: As carbon footprint reduction is a prerequisite for major customer contracts, assuming inadequate response would impact overall revenue, making separate quantification difficult.
  - Recycling and reuse of products/materials: Due to data limitations, it is difficult to assess the financial impact of using recycled and reused raw materials.

## Resilience Analysis

Based on the Jupiter Intelligence™ physical risk analysis, typhoons and droughts are identified as the disasters with the highest potential financial impact across nine domestic and overseas sites. All Samsung SDI sites are covered by natural disaster insurance to minimize such impacts, and key facilities are inspected regularly. In addition, to mitigate financial risks from droughts, which remain significant in both the short and long term, the company is continuously implementing water reuse and recycling at its sites, strengthening resilience to physical risks.

Among transition risks, rising carbon prices in regulated markets such as Korea and Hungary were identified as key risks. However, Samsung SDI is mitigating these risks by accelerating direct GHG emission reductions and renewable energy transition under its environmental management strategy, and if targets are achieved, financial losses should be reduced across all scenarios.

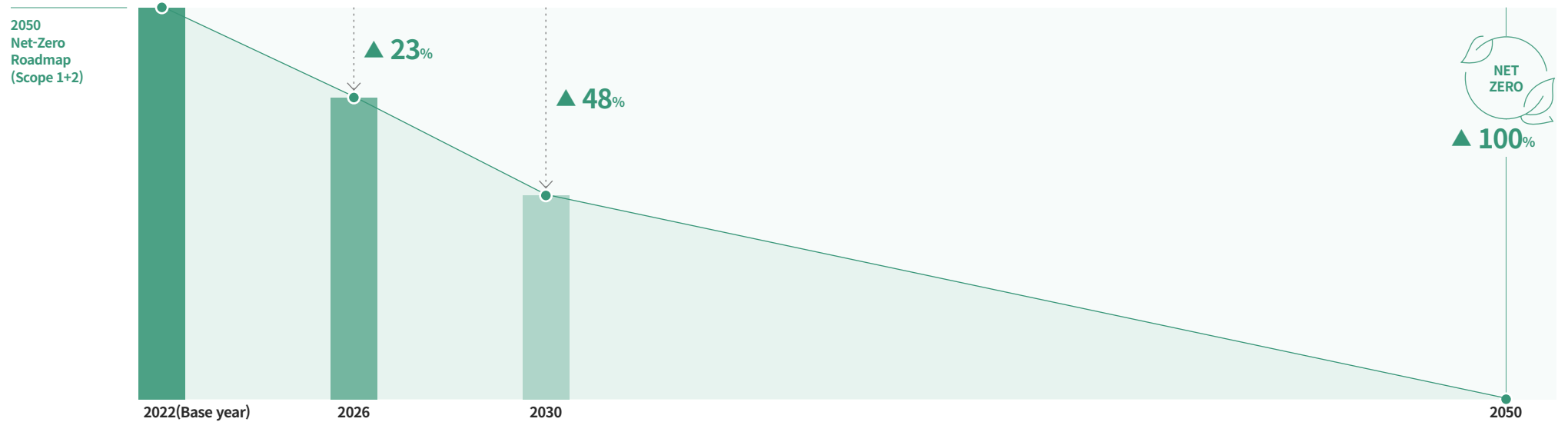
Samsung SDI's core products—batteries for EVs and ESS—contribute to the transition to a low-carbon society and are linked to global electrification and renewable energy expansion trends. In particular, the EV market should grow at a CAGR of approximately 16% through 2030 based on IEA scenarios, which should positively impact Samsung SDI's revenue and market share expansion with global OEMs as key clients.

Based on these multi-scenario assessments, we evaluated that Samsung SDI possesses resilient climate adaptability to address climate change and related uncertainties.





1) Compared to 2023; based on IEA STEPS scenario

## Climate Change Mitigation Metrics and Targets

Samsung SDI established strategic initiatives to achieve carbon neutrality by 2050 and mitigate climate change through its eco-friendly management declaration in October 2022. In this process, the company set and manages short-, mid-, and long-term targets for each initiative. Key initiatives include 100% transition to renewable energy, reduction of direct GHG emissions, transition of all business vehicles to zero-emission vehicles, and expansion of resource recovery through battery recycling. In addition, progress on each initiative is reviewed quarterly through the CEO-led Sustainability Management Council.



### Initiatives

Renewable Energy Transition	GHG Emissions Reduction		Establish Battery Circular Economy
 <b>100% Transition to Renewable Energy</b>	 <b>Reduction of Direct GHG Emissions</b>	 <b>Transition of All Business Vehicles to Zero-Emission Vehicles</b>	 <b>Expansion of Battery Recycling</b>
Expand renewable energy by site to achieve 100% renewable electricity across all operations by 2050	Reduce direct emissions through lower LNG usage	Transition 100% of business vehicles to zero-emission vehicles equipped with Samsung SDI batteries by 2030	Build a closed-loop recycling system for process scrap and end-of-life batteries and increase the use of recycled metals

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## Energy Management

### Energy Consumption Reduction Framework

Samsung SDI has established annual targets to reduce electricity and LNG consumption through 2050 and is implementing company-wide key initiatives such as the introduction of high-efficiency equipment and waste heat reuse. Progress on energy reduction is reported quarterly to the CEO-led Sustainability Management Council.

In 2025, the company reduced energy consumption by linking dehumidifier regeneration temperatures to dry room dew points and optimizing the operation of idle production lines. In addition, utility operations were improved by increasing chilled water supply temperatures based on site-specific thermal loads and reducing chilled water production loads in winter by utilizing low-temperature outdoor air. Furthermore, equipment experts were dispatched to newly built and expanded sites to intensively implement energy-saving measures and optimize operational standards.

### Advancing Energy Management Systems at Our Worksites

Samsung SDI is advancing its energy management framework in line with smart factory initiatives. In 2024, we installed an energy management system and utility operation/monitoring system across domestic production sites, enabling process- and line-level energy monitoring and utility supply trend analysis to improve energy efficiency. In 2025, we completed system deployment at the Hungary corporation and plan to expand to Malaysia, Xi'an, and Tianjin corporations from 2026.

In addition, three domestic production sites have obtained and maintain ISO 50001 (energy management system) certification and operate their energy management framework based on this standard.

### Key Achievements in Energy Savings by Worksite

Category	Worksite	Activity	Achievement
Company-wide	All worksites	Controlled dry room dew point linkage	Reduced LNG consumption
	All worksites * Excluding Hungary, SPE	Introduced high-efficiency equipment (chillers/compressors/pumps, etc.)	Reduced electricity consumption
	All worksites	Optimized energy operation of idle equipment	Reduced electricity/LNG consumption
Mobile & Power Battery Business	Cheonan, Tianjin, Malaysia	Reduced dehumidifier load by increasing reuse rate of dehumidification exhaust	Reduced electricity consumption
	Malaysia	Extended air dryer regeneration cycle (timer → DPOS)	Reduced electricity consumption
Automotive & ESS Battery Business	Ulsan, Xi'an, Hungary	Repaired leaks in industrial water and steam piping	Reduced water and LNG consumption
	Xi'an	Raised upper limit of dry room control temperature	Reduced electricity consumption
Electronic Materials Business	Gumi, Suwon	Rationalized HVAC system operations	Reduced electricity and LNG consumption

### Global Company-wide Energy Investments and Achievements in Reducing Energy Use<sup>1)</sup>

Category	Unit	2023	2024	2025	
Total Investments	KRW million	5,756	24,948	18,875	
Fuel Saving Activities	Cases	87	91	98	
Electricity & Steam Saving Activities	Cases	624	544	389	
Savings Generated	Total reductions made	TJ	1,589	3,409	3,015
	- Fuel reduced	TJ	234	500	612
	- Electricity & steam reduced	TJ	1,355	2,909	2,403
	Total savings generated	KRW 100 million	349	603	567
	- Fuel savings generated	KRW 100 million	62	103	156
	- Electricity & steam savings generated	KRW 100 million	287	500	411

1) Excludes Cheongju/Wuxi corporation, includes Suwon

### CASE

#### Dry room dew point-based control of dehumidifier regeneration temperature

Samsung SDI operates dry rooms to manufacture batteries in low-humidity environments and supplies dehumidified air through dehumidifiers. Dehumidifiers require regeneration at high temperatures of around 180°C, which accounts for the largest share of energy consumption.

In 2024, to reduce energy required for dehumidified air production, Samsung SDI introduced low-temperature regenerative dehumidification systems by improving desiccant coating methods based on new sensing technologies, lowering regeneration temperature to below 140°C. In 2025, we applied a control system linking regeneration temperature to dry room dew point sensors, enabling operation within a 90–140°C range. This reduces annual LNG consumption for dehumidifier operation by approximately 8.0 million Nm<sup>3</sup>.

#### Improvement of Dehumidified Exhaust Air Recycling Rate

Dry rooms are operated under positive pressure conditions to prevent the inflow of external moisture, and dehumidified air—incurring high costs—is continuously supplied in this process. Samsung SDI has implemented initiatives to improve the recycling rate of discharged dehumidified air, thereby reducing dry room operating costs. Through step-by-step validation, the Company closely managed changes in humidity and dew point to ensure operational stability, while achieving annual energy savings of approximately 18 GWh of electricity and 1.45 million Nm<sup>3</sup> of LNG in dry room dehumidification.

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## Waste Management

### Minimizing Waste Generation and Ensuring Safe Treatment

Samsung SDI continuously improves recycling measures to minimize waste generation across its domestic and overseas operations. Starting in 2022, the Company began acquiring Zero Waste to Landfill (ZWTL) certification for its domestic manufacturing sites, and by 2025, all domestic business sites and overseas production subsidiaries achieved the highest certification level, Platinum.

In addition, scraps generated during the manufacturing process and end-of-life batteries from R&D and process operations are recycled through recycling partners. Samsung SDI also plans to review and introduce appropriate recycling methods for batteries discarded by end-users in collaboration with customers.

To ensure the safety and legal compliance of waste treatment, Samsung SDI conducts regular comprehensive inspections of waste treatment companies, including reviews of waste handling status and regulatory compliance, and encourages proper and lawful treatment practices.

[Waste Management Performance and Targets](#)

### ZWTL Platinum certification achieved at domestic sites and overseas corporations



### Minimizing the Use of Single-Use Products

As part of its efforts to conserve resources and protect the environment, Samsung SDI is implementing various initiatives to reduce the use of single-use products. Following the introduction of paper carton bottled water in 2022 and biodegradable bags in 2023, the Company distributed reusable takeout bags to employees in 2024 and introduced reusable cups at in-house cafeterias and cafés. In 2025, reusable cups were also introduced at newly opened in-house cafés to further minimize the use of disposable items.

## Building a Circular Economy for Batteries

### Establishment of Battery Recycling Circular System

Samsung SDI is establishing a recycling and circular system to actively promote recycling and reuse, with the aim of minimizing environmental impact from end-of-life batteries across the entire battery lifecycle.

[Expanding Battery Recycling](#)

### Plant Scrap Collection Locations

	Category	Locations
As of 2025	Domestic	Giheung, Cheonan, Ulsan
	Overseas	Malaysia, Hungary
Expansion Plan	Domestic	-
	Overseas	United States, China (Tianjin)

### Recycling of Raw Materials

Samsung SDI is establishing a regional scrap and end-of-life battery recovery and recycling system in collaboration with recycling partners and customers, centered on its domestic and overseas production and sales sites to secure recycled metals. Through partnerships with recycling companies equipped with strong technological capabilities, the company is securing recycled metal materials not only from scraps generated in its own manufacturing processes, but also from process scraps and end-of-life batteries of customers and partners. Based on a competitive collaboration model that complies with regional regulations, Samsung SDI plans to actively expand the use of recycled materials to exceed the mandatory usage requirements set by customers and markets.

[Eco-friendly Purchasing Performance](#)

### Promotion of End-of-Life Battery Reuse

Samsung SDI is reviewing various initiatives to reuse end-of-life EV (Electric Vehicle) batteries as batteries for other applications such as Energy Storage System (ESS). The Company participated in the "Industrialization Project for Recycling End-of-service EV and ESS Batteries" led by Jeollanam-do, as well as in the "Technology Development and Demonstration Project for MWh-scale ESS Linked to Renewable Energy Using Reused and Refurbished Batteries," through which it explored battery reuse solutions. Going forward, Samsung SDI plans to review the technical requirements and business feasibility of reusing end-of-life batteries based on the results of its R&D and demonstration projects.

# Environmental Management

## Environmental Management Governance

### Environmental Management Governance Framework

Samsung SDI has established an environmental management governance system led by the Board of Directors and management to promote systematic and effective environmental management. Based on the environmental management system (ISO 14001), the company identifies, assesses, and manages key issues across various environmental areas, including climate change, pollution, water resources, biodiversity, and resource circulation, while striving for continuous improvement in environmental performance.

[Environmental Management Governance](#)

## Environmental Management System

### Environment Management Policy

Samsung SDI has established a Safety Environment Management Policy to fulfill its environmental responsibilities and reflect them across all business activities. In addition, to actively implement environmentally friendly management and respond to climate change and biodiversity issues as outlined in the policy, the company has established an Environmental Management Policy. This policy applies to all domestic and overseas business sites, subsidiaries, and joint ventures of Samsung SDI, and recommends compliance by business partners. It covers five key environmental areas: climate change, pollutants, water resources, biodiversity, and resource circulation.

[Safety Environment Management Policy](#) [Environmental Management Policy](#)

### Establishing an Environmental Management System

Samsung SDI has obtained ISO 14001(Environmental Management System) and ISO 50001(Energy Management System) certifications to ensure transparency and reliability in environmental management, and actively fulfills its environmental responsibilities across all business activities.

[ISO 14001](#) [ISO 50001](#)

## Water Resources Management

### Reducing Water Consumption and Expanding Water Reuse

Samsung SDI has established annual water reuse rate targets through 2050 and is working to achieve these targets by identifying company-wide initiatives. Progress against these targets is reported on a quarterly basis to the Sustainability Management Council chaired by the CEO.

In 2025, Samsung SDI achieved a water reuse rate of 44%, an increase of 2%p year-over-year. This was driven by improvements in the operation of the effluent reuse system at the Cheonan site, securing an additional recovery volume of 500 tons per day. In addition, the Company reduced water intake by reusing gray water generated at the Giheung site as cooling tower make-up water. Going forward, Samsung SDI plans to continue identifying and implementing initiatives to protect water resources, taking into account site-specific operating conditions.

[Water Resource Management Performance and Targets](#)

## Pollutant Management

### Managing Air Pollutant Emissions

Samsung SDI installs air pollution control facilities to minimize environmental impact from air pollutants and actively reduce emissions. The company applies internal standards that are more stringent than legal requirements (within 30% of regulatory limits) and regularly monitors discharged air pollutants through analyses conducted by certified external organizations. In addition, to minimize particulate matter emissions, Samsung SDI has replaced existing boiler burners with super low-NOx burners that emit lower levels of nitrogen oxides (NOx), and continues to manage the total volume of air pollutants.

[Air Pollutant Emissions](#)

### Managing Water Pollutant Emissions

Samsung SDI strengthens the operation and management of wastewater treatment facilities at its business sites to minimize the discharge of water pollutants and protect local aquatic ecosystems. At domestic sites, the company has replaced hazardous chemicals previously used in wastewater treatment, such as sulfuric acid and caustic soda, with safer alternatives. Samsung SDI also applies internal standards that are more stringent than legal requirements (within 30% of regulatory limits) to manage water pollutant discharge. To ensure compliance with these internal standards, the company operates a Tele Monitoring System (TMS) that enables real-time monitoring of water pollutant discharge, even at sites not subject to legal requirements.

[Water Pollutant Emissions](#)

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## Biodiversity Protection

### Biodiversity Conservation and Deforestation Prevention Policy

Samsung SDI has established a Biodiversity Conservation and Deforestation Prevention Policy based on the UN SDGs related to biodiversity and forest conservation, as well as the Global Biodiversity Framework, and has incorporated it into its Environmental Management Policy to ensure integrated management alongside environmental factors such as climate change, pollution, and resource use.

This policy aims to comply with applicable laws and regulations in regions where the company operates, while preventing biodiversity and ecosystem loss and enhancing positive impacts throughout business operations. It applies to all domestic and overseas business sites, subsidiaries, and joint ventures of Samsung SDI, and encourages compliance among business partners.

Environmental Management Policy 

### Managing Biodiversity Risks

Samsung SDI references the LEAP (Locate, Evaluate, Assess, Prepare) methodology and framework of the Taskforce on Nature-related Financial Disclosures (TNFD) to identify biodiversity dependencies and impacts, and to assess and manage biodiversity-related risks across its sites and surrounding areas. To ensure a comprehensive understanding of ecosystem status and ecological value, we utilize the Biodiversity Risk Filter developed by the World Wide Fund for Nature (WWF), assessing pressures on biodiversity and environmental factors based on the location and industry of major sites.

#### Key Site Biodiversity Risk Factors<sup>1)</sup>

Category	Site Address	Biodiversity Pressure <sup>2)</sup>	Environmental Factor <sup>3)</sup>
Headquarters	150-20 Gongse-ro, Giheung-gu, Yongin-si, Gyeonggi-do	Medium	Low
Mobile & Power Battery	467 Beonyeong-ro, Seobuk-gu, Cheonan-si, Chungcheongnam-do	Medium	Low
EV/ESS Battery	163 Bangudae-ro, Samnam-eup, Ulju-gun, Ulsan	Low	Medium
Electronic Materials	58 Gumi-daero, Gumi-si, Gyeongsangbuk-do	Low	Low









Very Low Low Medium High Very High

1) Utilized WWF Biodiversity Risk Filter 2.0 version

2) Comprehensive risk assessment based on impacts from land/freshwater/marine use change, deforestation, invasive alien species, and pollution

3) Comprehensive risk assessment considering protected/conserved areas, key biodiversity areas, other ecologically important zones, ecosystem condition, and species rarity

### Biodiversity Risk Factors and Mitigation Measures

Value Chain	Upstream	Samsung SDI		Downstream
	Raw material production/refining	Site operation	Local communities	Waste/Recycling
Key Sites	• Mines and smelters	• Domestic - Headquarters: Giheung - Major manufacturing: Cheonan, Ulsan, Gumi	• Communities near manufacturing sites	• Recycling regions
Dependence on Natural Capital	• Water use in mineral mining and refining	• Water use in battery manufacturing		• Water use in recycling of end-of-life products
Impact on Biodiversity	• GHG emissions and pollutant discharge during mining and refining	• GHG emissions and pollutant discharge during battery manufacturing		• GHG emissions and pollutant discharge during recycling of end-of-life products
Mitigation Measures	• Partner screening and ESG due diligence 	<ul style="list-style-type: none"> <li>• Environmental impact monitoring and mitigation                             <ul style="list-style-type: none"> <li>- Advancing energy management systems at our worksites </li> <li>- Renewable energy transition </li> <li>- Pollutant management </li> <li>- Reducing water consumption and expanding water reuse </li> </ul> </li> <li>- Minimizing waste generation and ensuring safe treatment </li> <li>• Biodiversity protection </li> <li>- Conserve Sohwang Coastal Dune in Chungcheongnam-do (habitat of protected marine species)</li> <li>- Participate in "One Company, One River" initiatives</li> </ul>		• Building a Circular Economy for Batteries 

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## Biodiversity Protection

### Environmental Impact Assessment at Worksites

Samsung SDI conducts environmental impact assessments when establishing new sites or expanding operations to ensure biodiversity conservation and environmental protection. We assess potential impacts on natural ecosystems, water resources, and land use in advance during site development. Environmental impact assessments are carried out in accordance with legal requirements in each country, and environmental risks are minimized through ongoing monitoring. In particular, we identify in advance factors that may threaten biodiversity during new site development and implement measures to prevent, mitigate, and minimize such impacts.

Findings from environmental impact assessments are reflected in project plans, and environmental impacts are continuously managed through regular post-assessment monitoring. Going forward, Samsung SDI should continue to minimize negative impacts on local communities and natural ecosystems through environmental impact assessments, fulfilling its commitment to sustainable growth and environmental responsibility.

### Our Efforts for Biodiversity Protection

#### Management of the Sohwang Coastal Dune

Samsung SDI has entered into a management agreement for an ecological and landscape conservation area in collaboration with Chungcheongnam-do, the Geum River Basin Environmental Office, the City of Boryeong, the Boryeong Sustainable Development Council, and four Samsung affiliates, and is carrying out ongoing ecological restoration activities. The Sohwang coastal dune is the only intact dune along Korea's west coast and serves as a habitat for endangered species such as the Chinese egret and black-faced spoonbill, as well as rare plant species including *Glehnia littoralis* and *Vitex rotundifolia*.

Samsung SDI contributes to the preservation of local ecosystems through activities such as dune maintenance, marine waste collection, and removal of invasive plant species. Going forward, the Company will continue to promote biodiversity conservation and the sustainable management of natural ecosystems in collaboration with local communities and relevant institutions.

### Hungary Corporation (SDIHU) - Animal Shelter

Samsung SDI's Hungary corporation recognizes coexistence with the local ecosystem as a key responsibility and has been supporting animal shelters near its operations since 2022. In 2025, the corporation visited two shelters to carry out facility improvement activities, including fence painting and maintenance of surrounding green areas. It also contributed to creating a better environment for approximately 600 stray animals by donating essential items such as animal feed, toys, and protective equipment, and by maintaining feeding stations frequently used by migratory birds.

In addition, Samsung SDI's Hungary corporation continues to engage in wildlife protection and ecological conservation activities around its operations the Hungary corporation plans to further expand biodiversity conservation initiatives to contribute to harmony with the local ecosystem and the preservation of biodiversity.



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- Occupational Health and Safety Management
- Respect for Human Rights
- Human Resources Management
- Diversity, Equity, and Inclusion
- Strengthening Customer Safety and Product Responsibility
- Coexistence with Local Communities

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## Supply Chain Management System

### Supply Chain Management

Samsung SDI operates an ESG Due Diligence on Partners system to foster a responsible supply chain environment and proactively identify and manage ESG risks that may arise within the supply chain. We have established the Samsung SDI Supplier Code of Conduct, which reflects the Responsible Business Alliance (RBA) Code of Conduct, a global standard for social responsibility in supply chains, and require partners to sign and submit a compliance pledge committing to its implementation. In addition, in 2025, we established a Supply Chain Due Diligence Policy to proactively respond to various global regulations, including the EU Battery Regulation, and to further clarify due diligence and evaluation standards for partners.

[Supplier Code of Conduct](#) 
[Supply Chain Due Diligence Policy](#) 

### Establishment and Advancement of Supply Chain Management System

Samsung SDI has established a supply chain ESG management system to strengthen ESG management across its supply chain, including ESG assessments of partners based on RBA standards, calculation of actual carbon emissions data by partner, and ESG training for partners.

ESG assessments are conducted not only domestically but also across global partners in Europe, the Americas, China, and Southeast Asia, thereby strengthening ESG management across the entire supply chain. We are also actively carrying out customized training and support programs to enhance partners' understanding of ESG management and strengthen their practical capabilities.

In 2025, we established a supply chain traceability system to manage supply chain information from Tier 1 to N-tier suppliers more transparently, building a system capable of responding effectively to global regulations and customer requirements. Going forward, we will continue to build a sustainable supply chain through systematic management and further strengthen ESG collaboration with our partners.

### Definition of Partners

Samsung SDI systematically manages its supply chain, including partners from Tier 1 to N-tier suppliers. First-tier partners are those that directly supply raw materials and services used in Samsung SDI's products, while second-tier suppliers provide materials and services to first-tier partners, and third-tier suppliers support second-tier partners.

We designate partners supplying key raw materials and components as primary partners and focus our support activities on them.

In the partner selection and management process, we conduct paper-based assessments and due diligence based on transparent and fair criteria to secure supply chain stability and sustainability. Through this systematic partner management, we enhance product quality and minimize supply chain risks.

## Supply Chain ESG Management

### Screening of Partners

Samsung SDI operates a screening system that reflects ESG factors in the partner selection and contract renewal process to build a sustainable supply chain. We have defined the partner screening process within our internal standards and management systems, and through this process, we review legal sanctions related to human rights, labor, ethics, and governance to minimize ESG risks. We also assess whether key production sites of partners are located in conflict-affected or high-risk countries to manage country-specific risks. In addition, we examine the use of conflict minerals and responsible minerals in raw materials used in product manufacturing to preemptively prevent raw material risks, and review the occurrence of safety and quality issues in products supplied by partners to manage product-related risks.

#### Partner Screening Factors

Category	Identification Factors
ESG Risks	Review of pollutant emissions, human rights and labor practices, ethics, and management systems
Country Risk	Review of whether key production sites are located in conflict-affected countries, including those with human rights abuses or war
Raw Material Risk	Review of whether raw materials used in products are associated with controversies (e.g., harmfulness, human rights issues in the manufacturing process)
Product Risk	Review of any safety or quality issues related to supplied products

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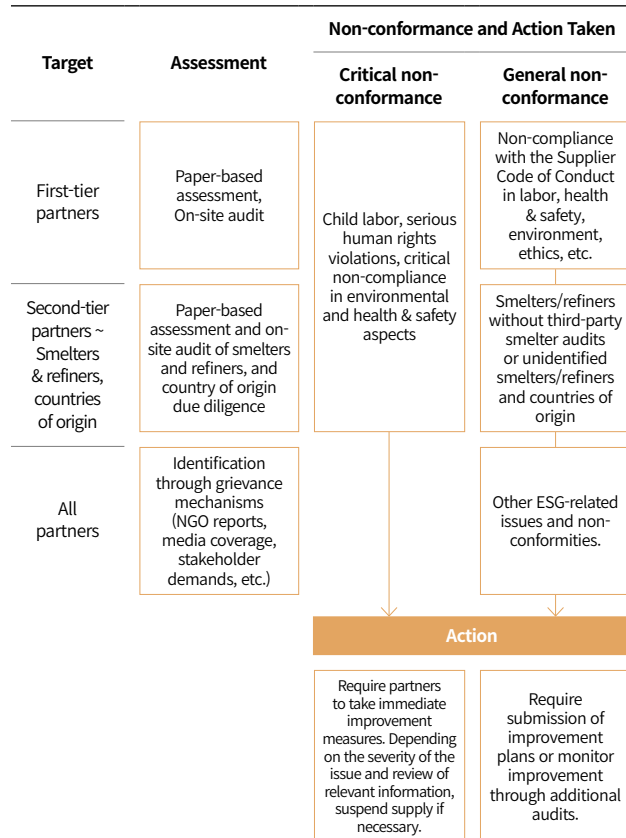
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## Partner Due Diligence System

Samsung SDI operates a due diligence process for all partners with which it has direct business relationships to identify, prevent, mitigate, and remediate adverse impacts arising from violations of the Samsung SDI Supplier Code of Conduct. In addition, to establish responsible minerals sourcing practices, we have implemented a due diligence process for the mineral supply chain covering both direct and indirect partners.

### Due Diligence Process for Partners



## Partner ESG Due Diligence

Samsung SDI conducts ESG due diligence on partners on a regular basis by engaging professionals from RBA-accredited auditing organizations to ensure effective sustainability management across our supply chains. We have established assessment criteria covering risks in labor and human rights, safety and health, environment, ethics management, and supply chains, based on standards set by the RBA, RSCI (Responsible Supply Chain Initiative), ILO, ISO, and market requirements. Based on these criteria, we assess domestic and overseas suppliers of raw and subsidiary materials for their compliance with the Supplier Code of Conduct and provide support for improvement activities. In addition to third-party auditors, ESG personnel from the Procurement team also participate in on-site due diligence to enable practical inspections and support.

The partner ESG due diligence process follows four steps: (1) self-assessment, (2) on-site due diligence by external experts, (3) corrective actions, and (4) final review. Partners identified with non-conformities during on-site due diligence are required to submit an improvement plan, and the completion of corrective actions is verified through final review. For critical non-conformities such as compulsory labor and child labor, we apply a zero-tolerance policy to ensure strict compliance among our partners.

### Process for ESG Due Diligence on Partners

1	<b>Self-Assessment</b>	- New partners and existing key partners
2	<b>On-Site Assessment</b>	- External experts - ESG personnel at the Procurement Strategy Group of Samsung SDI
3	<b>Submission of Improvement Plans and Corrective Actions</b>	- Partners identified for findings
4	<b>Final Review (verification of improvements made)</b>	- External experts - ESG personnel at the Procurement Strategy Group of Samsung SDI

## Status of Partner ESG Due Diligence

Samsung SDI conducts regular on-site ESG due diligence for selected partners based on business importance, geographic risk, and environmental impact. In 2025, no critical non-compliance was identified in mandatory compliance items, including the prohibition of compulsory labor and child labor, wages and compensation, environmental permits, hazardous substances management, and occupational safety. For non-conformities identified during due diligence, we require immediate corrective actions or the establishment of improvement plans depending on the severity of the issue, and monitor their implementation through regular reviews. We also conduct regular training programs for partner executives, managers, and working-level employees to enhance ESG capabilities.

### Status of Key Partners and ESG Due Diligence Results

Category	Unit	2024	2025
Tier 1 partners (based on 2024 performance)	Number of companies	538	534
Number of key partners among Tier 1 partners <sup>1)</sup>	Number of companies	287	115
Partners receiving improvement support measures	Number of companies	13	5
Partners subject to paper-based/on-site due diligence	Number of companies	70	44
Partners with significant actual or potential adverse impacts	Number of companies	0	0
Partners with corrective action plans	Number of companies	0	0
Partners with terminated contracts due to confirmed adverse environmental/social impacts	Number of companies	0	0

1) Partners accounting for the top 90% of annual transaction value

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## Strengthening ESG Management Execution by Partners

Samsung SDI has established a policy to strengthen the execution of ESG management across its supply chain. Under this policy, if a partner violates key requirements of the Supplier Code of Conduct, including the prohibition of compulsory labor, prohibition of child labor, and the use of conflict minerals, we may request corrective actions within a designated period. If the issues are not resolved within the timeframe, all or part of the business contracts may be terminated. We also require partners to submit a separate confirmation letter agreeing to these responsibilities, and conduct ESG self-assessments (Self-Assessment Questionnaire) for raw and subsidiary material suppliers at the time of registration, requesting submission of the results. This encourages partners to self-assess their compliance with ESG requirements, identify areas for improvement, and manage them independently.

In addition, we require partners to indicate in the G-SRM (Global Supplier Relationship Management) system whether they have obtained third-party environmental certifications such as ISO 14001 and ISO 50001, and to upload the relevant certificates.

## Supporting Partners' ESG Capacity Building

Samsung SDI supports a variety of training programs to raise ESG awareness and enhance the capabilities of its partners. From January to December 2025, we completed training for 327 employees from 196 partners through differentiated programs tailored to each partner's needs, including online courses, in-person group training sessions in Korea and overseas, and on-site training. In these sessions, we provided not only basic concepts such as global ESG regulatory trends, market requirements, and response timelines to management and working-level employees, but also practical guidance to prepare for ESG risks. This included coverage of RBA requirements during ESG due diligence, GHG calculation and management methods, and Q&A sessions on practical ESG topics.

In addition, when partners are required to establish corrective or mitigation plans through ESG due diligence, Samsung SDI's ESG professionals provide on-site consulting and advisory support to help partners effectively implement ESG management practices.

### Partner ESG Training Programs in 2025<sup>1)</sup>

Category	Unit	Total	Online Training	Group Training (Domestic)	On-Site Training
No. of participating partners	companies	196	134	48	14
No. of participants	person	327	136	52	139
Training content	-	-	Preparation for ESG audits (SDI ESG strategy, carbon and supply chain management, etc.)	Overview of the Supplier Code of Conduct, carbon emissions management, and Samsung SDI ESG plans	Supplier Code of Conduct and workplace compliance requirements
Remarks	-	-	Training for partners subject to ESG audits, and Samsung SDI online training	Three-day, two-night training program at the Ulsan site training center	On-site training at partner workplaces conducted by Samsung SDI procurement team instructors

1) The number of participating companies and participants includes duplicates

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## Responsible Minerals Sourcing

### Responsible Minerals Sourcing Policy

Samsung SDI operates a Responsible Minerals Sourcing Policy and a Supply Chain Due Diligence Policy to procure minerals in a sustainable and ethical manner and to establish responsible sourcing practices across its supply chain.

[Responsible Minerals Sourcing Policy](#)

[Supply Chain Due Diligence Policy](#)

### Governance Structure

Samsung SDI manages and oversees supply chain risks, including conflict minerals and responsible minerals, through the Sustainability Management Committee under the Board of Directors and the Sustainability Management Council participated in by management. The Procurement team and the Sustainability Management Office are responsible for establishing responsible minerals sourcing policies and management procedures, identifying risks across the supply chain, and developing and implementing improvement measures.

### Enhancing Internal Stakeholder Awareness

Samsung SDI is strengthening efforts to raise employee awareness to support sustainable raw material sourcing. The Procurement team has established a system to identify and share trends and risks in the mineral supply chain, enabling discussions on sustainability and the review of relevant measures. We will continue to promote education programs to actively foster a culture of sustainable raw material sourcing.

### Identification and Assessment of Mineral Risks

Samsung SDI has established a management system based on the OECD Due Diligence Guidance five-step framework to manage mineral supply chain risks. We also operate a systematic process to identify and assess potential risks associated with key raw materials. Through this process, we prioritize key raw materials and establish corresponding response strategies. In particular, for high-priority raw materials with elevated potential risks, we work to enhance traceability to their country of origin through due diligence efforts.

[Supply Chain Risk Management System for Minerals](#)

### Prioritization of Suppliers through Risk Assessment

Selection of Target Minerals for Management	Supplier Investigation	Risk Assessment	Prioritization of Suppliers
3TG (Conflict Minerals)	Supplier Information Survey Company name, country/ address	Social Child labor, forced labor, occupational safety, rights of indigenous peoples, discrimination, working hours, wages, holidays, and freedom of association and collective bargaining	
Cobalt		Environmental Greenhouse gas emissions, air and water pollution, wastewater, hazardous chemicals, resource circulation, biodiversity, etc	
Nickel		Ethics and Management Systems Bribery, embezzlement, risk management systems, grievance mechanisms, supply chain management	
Lithium	Supply Chain Mapping Survey From Tier 1 to mine	Certifications RMI, IRMA, ISO 14001, ISO 45001, ISO 50001, etc.	
Graphite		Identification of Conflict-Affected and High-Risk Areas Confirm inclusion on CAHRAs (Conflict-Affected and High-Risk Areas) List	
Manganese			
Others (e.g., Copper, Aluminum, Magnesium)			

### Identifying Supply Chain Risk Signals

Samsung SDI conducts annual surveys using its internal survey forms and RMI mineral reporting templates to accurately identify and classify all suppliers across its responsible mineral supply chain. We also perform reasonableness checks on upstream supply chain information, including smelters, refiners, and countries of origin, obtained through these surveys. Suppliers confirmed or suspected of producing, transporting, distributing, or sourcing minerals from conflict-affected and high-risk areas, suppliers suspected of providing false information, or smelters and refiners not certified under the RMAP are considered potential risk signals (red flags). Based on the collected information, Samsung SDI conducts risk assessments on suppliers to identify potential or actual risks. Suppliers that have caused significant adverse impacts on human rights or the environment, or are directly or indirectly involved in conflicts, are classified as high-risk (red flag).

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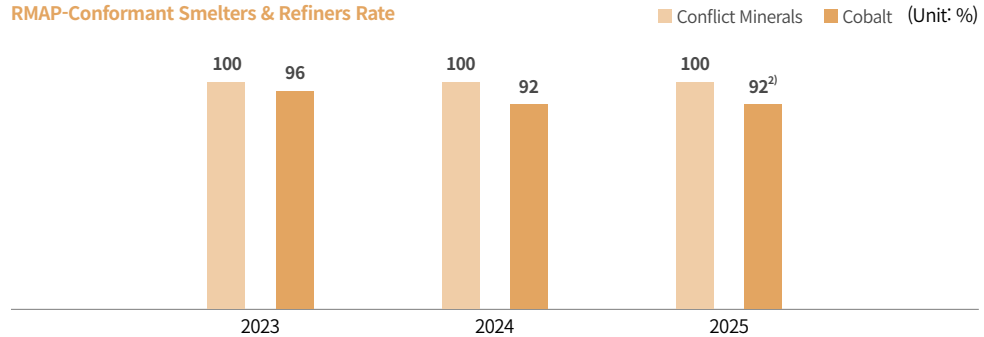
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## Status of Responsible Minerals Management

Samsung SDI includes not only 3TG (Tin, Tantalum, Tungsten, and Gold) conflict minerals mined in the Democratic Republic of the Congo and its neighboring countries, but also key minerals such as cobalt, for which human rights violations and environmental destruction issues are raised during mining and sourcing processes, within its scope of management to uphold the principle of responsible minerals sourcing. To this end, we conduct surveys on suppliers using the RMI's CMRT (Conflict Minerals Reporting Template) and EMRT (Extended Minerals Reporting Template) to track the list of smelters and refiners.

We also require all partners to use only minerals sourced from RMAP-conformant smelters and refiners, as defined by the Responsible Minerals Initiative (RMI). Currently, all smelters supplying 3TG minerals have been confirmed as RMI-conformant. For cobalt, out of a total of 24 smelters, 21 have been verified as RMI-conformant, and one has been confirmed to hold an equivalent level of certification<sup>1)</sup>.

### RMAP-Conformant Smelters & Refiners Rate



1) LME Responsible Sourcing Policy certification

2) Including one smelter certified under the LME Responsible Sourcing Policy

### Samsung SDI's List of Cobalt Smelters & Refiners

No.	Cobalt Smelters & Refiners	Country
1	Chizhou CN New Materials and Technology Co., Ltd.	China
2	CMOC Kisanfu Mining SARL	DRC
3	Ecopro Materials Co., Ltd.	Korea
4	Gangzhou Yi Hao Umicore Industry Co.	China
5	Gangzhou Tengyuan Cobalt New Material Co., Ltd.	China
6	Gem (Jiangsu) Cobalt Industry Co., Ltd.	China
7	Glencore Nikkelverk Refinery	Norway
8	Guangxi CNGR New Energy Science & Technology Co., Ltd.	China
9	Guizhou CNGR Resource Recycling Industry Development Co., Ltd.	China
10	Hunan CNGR New Energy Science & Technology Co., Ltd.	China
11	Jingmen GEM Co., Ltd.	China
12	Kamoto Copper Company	DRC
13	Kisanfu Mining (Kimin)	DRC
14	La Compagnie de Traitement des Rejets de Kingamyambo S.A. (Metalkol S.A.)	DRC
15	Mutanda Mining SPRL	DRC
16	PT HUAYUE NICKEL COBALT	Indonesia
17	PT QMB New Energy Materials	Indonesia
18	Quzhou Huayou Cobalt New Material Co., Ltd.	China
19	SungEel HiTech Co., Ltd.	Korea
20	Tenke Fungrume Mining (TFM)	DRC
21	Umicore Finland Oy	Finland
22	Umicore Olen	Belgium
23	Zhejiang Greatpower Cobalt Materials Co., Ltd.	China
24	Zhejiang New Era Zhongneng Technology Co., Ltd.	China

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## Procurement Risk Management

### Procurement Risk Management Approach

Supply chain risks include not only environmental and social risks at partners but also risks that may arise during the parts procurement process. Samsung SDI manages procurement risks through a four-step process. In accordance with the IATF 16949<sup>1)</sup> process, the Procurement team first identifies procurement-related risks and determines those that may affect the company. The identified risks are then assessed based on the severity of their impact and the likelihood of occurrence, and short-, mid-, and long-term response strategies are established for each risk. We also manage a database of historical risks and use it to assess and manage risks that may arise in the future.

1) An international standard for automotive quality management systems jointly developed by the International Automotive Task Force (IATF) and the International Organization for Standardization (ISO)

### Managing Procurement Risks



### Efforts to Establish EU-localized Sourcing System

Localization requirements for raw and subsidiary materials and critical minerals used in EV batteries within the EU are strengthening under the EU-UK TCA<sup>1)</sup> and the Critical Raw Materials Act (CRMA)<sup>2)</sup>. Samsung SDI is expanding its sourcing base within Europe in collaboration with key raw and subsidiary material partners. We are also continuously monitoring the EU's strategic partnership developments for critical minerals and engaging in consultations with relevant partners to secure critical minerals within the region.

- 1) EU-UK TCA (Trade and Cooperation Agreement): An agreement that allows EVs exported from the EU to the UK to be exempted from tariffs if batteries are produced using a certain proportion of components sourced within the EU or UK
- 2) Critical Raw Materials Act (CRMA): A regulation aimed at reducing external dependency on strategic raw materials by gradually expanding the EU's capacity for extraction, processing, and recycling by 2030, while diversifying import sources and lowering reliance on any single country

### Diversifying Supply Chain for North American Customers

With the enactment of the Inflation Reduction Act (IRA) in August 2022 and the passage of the One Big Beautiful Bill Act (OBBBA) in July 2025, the demand to move away from China in sourcing critical minerals and establishing production locations for components used in EV batteries manufactured in North America has continued to increase. Samsung SDI is responding by establishing and implementing plans to diversify the sourcing of critical minerals and component supply bases into North America and countries that have signed FTAs with the US, in collaboration with key partners.

### Pursuing Supply Chain Diversification

Samsung SDI is actively pursuing supply chain diversification strategies to secure key raw materials for battery production. We are expanding sourcing bases that have been concentrated in specific countries and securing procurement channels across multiple countries. We are also enhancing supply stability through long-term contracts with multiple partners. Through this diversification strategy, we expect to strengthen our ability to respond to geopolitical risks and localization requirements in each country. In addition, we are actively securing recycled metals to ensure stable raw material supply and to establish a sustainable battery production system.

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## Strengthening Support for Shared Growth

### Shared Growth Promotion System

Samsung SDI has established a shared growth promotion system to build a win-win partnership ecosystem with its partners.



### Operation of the Samsung SDI Partners Association

Samsung SDI pursues shared growth based on mutual cooperation with its partners and operates the Samsung SDI Partners Association (SSP) to maintain close partnerships. The SSP is restructured every two years, and the 11th SSP, launched in 2025, consists of 56 partners. It strengthens strategic partnerships by sharing industry outlooks at home and abroad as well as Samsung SDI's business outlook. In 2025, key activities included the SSP general assembly, SSP executive and manager seminars, overseas benchmarking programs for SSP managers, and subcommittee meetings.

### Partner Grievance Handling

Samsung SDI operates the Partner VOP (Voice of Partners) system to facilitate smooth communication and create a fair transaction environment with its partners. This system serves as a communication channel to listen to various opinions arising during transactions, reflect them in internal operations, and coordinate issues that may occur due to differences in interests. Partners can submit suggestions, inquiries, compliments, complaints, and dispute resolution requests through the VOP banner in the partner transaction portal system (G-SRM). In 2025, three cases were received and 100% were addressed in accordance with the VOP operation process. Through this initiative, Samsung SDI continues to strengthen trust with partners and lay the foundation for shared growth.

### Financial Support for Partners

Samsung SDI operates financial support programs in collaboration with financial institutions to help partners maintain stable business operations. We have established a KRW250 billion win-win partnership fund with financial institutions and use the interest income generated to support not only first-tier partners but also second- and third-tier partners by reducing loan interest rates. As of the end of 2025, a total of 84 partners have received support amounting to KRW192.5 billion through the win-win partnership fund.

#### 2025 Win-Win Partnership Funds

84 Companies      KRW 192.5 billion

### Partner Talent Development Support

Samsung SDI operates a structured talent development program leveraging the training system and infrastructure of its training center to strengthen the competitiveness of its partners. The program consists of a total of 58 courses (130 sessions) covering job skills, quality management, process management, and business administration. In 2025, we provided capacity-building training and recruitment-linked onboarding programs to 2,305 employees from 85 partners.

In addition, in response to strengthening global ESG regulations, we operated ESG courses covering basic understanding, fundamentals, and practical implementation for partner employees, with 52 employees from 48 partners completing all three courses. Through these multifaceted talent development initiatives, Samsung SDI continues to reinforce the sustainable growth foundation of its partners.

### Enhancing Partner Capabilities

Samsung SDI is carrying out supply chain innovation activities centered on an innovation support team composed of internal experts to strengthen partner competitiveness and expand shared growth partnerships. Since 2024, in addition to manufacturing productivity innovation, we have expanded support to include quality innovation, R&D, and intellectual property (IP) to drive qualitative improvements. In 2025, the scope of support was further expanded to seven areas, including development, molds, quality, PI, equipment maintenance system development and implementation, intellectual property (IP), and public relations. The scale of support has also grown from eight partners and eight projects in 2023 to 11 partners and 12 projects in 2024, and to 16 partners and 18 projects in 2025.

In particular, support for the development and implementation of equipment maintenance systems helps partners digitalize maintenance operations and establish preventive maintenance frameworks, improving MTBF and MTTR, thereby enhancing equipment lifespan and reducing costs.

#### Innovation Task Execution Outcomes in 2025

Category	Partners (No. of companies)	No. of projects
Equipment system	3	3
Development (R&D)	1	1
Quality	4	5
Intellectual property (IP)	3	3
Mold	2	3
Public relations (PR)	1	1
PI	2	2
<b>Total</b>	<b>16</b>	<b>18</b>

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## Management Consulting for Partners

Samsung SDI has been operating a win-win cooperation consulting program since 2020 to enhance partners' management efficiency and support their sustainable growth. This program provides customized management consulting tailored to each partner, delivered by win-win cooperation consultants who are former Samsung SDI executives with extensive field experience, management know-how, and professional expertise.

Through this program, partners have strengthened their management capabilities and industrial competitiveness in areas such as productivity, quality innovation, strategy, and marketing. In 2025, we conducted regular consulting on 10 tasks for 9 partners through a total of 88 sessions, and also held three special lectures through SSP subcommittee meetings.

### Management Advisory

Category	Description
Development/Quality	<ul style="list-style-type: none"> <li>• New product development, technology strategy, technology development roadmap, and development of new materials, processes, and equipment</li> <li>• Establishment of quality assurance strategies and development processes, and development of quality assurance systems for development and mass production</li> </ul>
Management Innovation/ Overseas Corporation Operation	<ul style="list-style-type: none"> <li>• Operation of overseas production corporations, audit process, operational manufacturing systems, and SCM KPI management</li> </ul>
Business Strategy/ Marketing	<ul style="list-style-type: none"> <li>• Formulation of new business and product development strategies, and development of strategies to enhance product competitiveness and differentiation</li> <li>• Analysis of business competitiveness and countermeasures, new business planning, and investment and M&amp;A</li> </ul>

## Support for Win-Win Smart Factory Deployment

Samsung SDI is promoting a win-win smart factory deployment program to enhance the manufacturing competitiveness of its partners. The scope of support has been expanded beyond management support systems such as ERP, MES, SCM, and PLM to include advanced systems required by partners, including factory energy management systems and predictive maintenance systems.

In addition, to promote the adoption of smart factories, we supported benchmarking activities for 36 partners and 59 employees to visit best-practice companies, and plan to continue expanding these efforts going forward.

## Operating the Benefit Sharing System

Samsung SDI actively operates the benefit sharing system to promote win-win partnerships with small and medium-sized enterprises. The system is designed for both contractors and subcontractors to jointly pursue shared goals through various collaborative efforts and share the resulting achievements. In 2025, we identified 20 benefit sharing tasks in collaboration with 17 partners, mainly in the areas of innovation activities and smart factory deployment. Through joint execution of these tasks, we contributed to improving partners' manufacturing competitiveness by reducing defect rates, increasing manhour-based production, and enhancing quality, thereby significantly improving productivity.

## Fair Trade Principles

Samsung SDI strictly adheres to fair trade principles to establish a culture of fair and transparent transactions and pursue win-win partnerships with all stakeholders. To this end, we use standard contract forms in transactions with partners and comply with the "Four Action Principles for Compliance with the Subcontracting Act," which we have established and observe.

Four Major Guidelines 

## Supporting Fair Trade Agreements Across the Supply Chain

Samsung SDI is committed to establishing fair trade practices not only in transactions with first-tier partners but also among first-, second-, and third-tier partners, thereby strengthening fair transaction order and enhancing industry competitiveness. To this end, we support the signing of fair trade agreements among partners and encourage cash payments within 30 days as well as payments through the win-win payment system. We also promote the use of standard subcontract agreements between first- and second-tier partners, and continue to expand shared growth initiatives, including ESG support activities and open bidding for key areas of work.

Category	Unit	2023	2024	2025
Samsung SDI – First-tier partners	cases	109	114	113
First-tier – Second-tier partners	cases	149	169	147
Second-tier – Third-tier partners	cases	48	55	58

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## Occupational Health and Safety Management Policy

### Occupational Health and Safety Policy

Samsung SDI has established and implements a Safety Environment Management Policy that reflects its commitment to sustainable management. As a leading company in eco-friendly energy and advanced materials, we are dedicated to creating a safe and healthy workplace and actively engaging in environmental protection to fulfill our social responsibility.

[Safety Environment Management Policy](#)

## Occupational Health and Safety Management Governance

### Dedicated Health and Safety Organization

Samsung SDI has appointed a Chief Safety Officer (CSO) to ensure a safe working environment and enable prompt decision-making. In accordance with Article 4 of the Serious Accidents Punishment Act, the CSO holds overall responsibility and authority for EHS operations, fulfilling the legal obligations of the business owner and management for securing safety and health on behalf of the company. The CSO is responsible for overseeing safety and health-related organization, manpower, and budget, and exercises final decision-making authority on key matters such as work suspension and subcontracting.

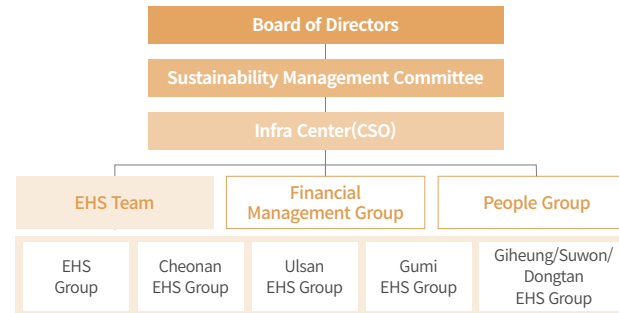
In addition, Samsung SDI operates an EHS team under the Infra Center to oversee company-wide EHS management, supported by HR and administrative functions. In collaboration with EHS Groups at each worksite, the EHS team carries out various EHS initiatives, including on-site inspections, risk factor improvements, safety training, and awareness campaigns for employees and on-site partners.

### Strengthening the Board's Accountability for Occupational Health and Safety

Samsung SDI convenes regular Board of Directors meetings each year to enhance company-wide health and safety governance, reporting on general business, financial matters, and other key issues.

In accordance with Occupational Safety and Health Act and the Board of Directors Operating Regulations, the Board establishes and reviews health and safety plans. As required by the Enforcement Decree of the Occupational Safety and Health Act, reports include health and safety policies, organizational structure, and responsibilities, budget and facilities, performance from the previous year, and plans for the current year.

### Occupational Health and Safety Management Organizational Chart



## Occupational Health and Safety Management System

### Certification for Occupational Health and Safety Management System

Samsung SDI prioritizes the health and safety of employees and on-site partners and operates a systematic health and safety management system based on ISO 45001 certification.

ISO 45001

## Promoting Safety Culture

### Occupational Health and Safety Training

Samsung SDI operates a systematic occupational health and safety (OHS) training program to enhance employee awareness of OHS compliance. Based on a curriculum of 193 training courses, we provide mandatory OHS training to all employees on a quarterly basis, tailored to job type, rank, and work process. The program is designed for supervisors, new employees, hazardous substance handlers, and those subject to job assignment or change. In addition, we provide specialized training for personnel in charge of risk assessments at domestic worksites to enhance expertise in identifying and mitigating hazardous factors. Through these training programs, we strengthen employee awareness of OHS compliance and support the implementation of safety rules and accident prevention in the workplace.

### Raising Occupational Health and Safety Awareness

Samsung SDI conducts annual safety culture assessments for employees and is strengthening on-site, employee-driven autonomous safety management to establish a culture of mutual encouragement and respect.

Since 2024, we have designated and operated Safety Guardians (SGs) across departments, including manufacturing, engineering, and R&D, to enhance real-time communication with the EHS team. Through regular meetings and on-site activities focused on accident prevention, SGs lead efforts to identify and improve potential hazards. We also provide recognition and awards for outstanding SGs. In addition, we publish participatory EHS newsletters for all employees and continue to promote training, hands-on activities, and campaigns to foster a voluntary safety culture and continuously enhance safety awareness across the organization.

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## VR Safety Training Experience

Samsung SDI has established VR safety training rooms at each site and operates safety training using VR equipment such as Oculus. The program consists of two formats: hands-on training that allows employees to directly experience various safety accident scenarios in a virtual environment, and viewing-based training that provides learning through video content on accident cases and safety rules. Through these programs, we enhance employees' hazard awareness and response capabilities and contribute to accident prevention. The training is provided to all domestic and overseas employees, and participants have reported high levels of engagement and strong retention of learning content, resulting in high satisfaction. Based on this, we continue to expand and improve training content each year to proactively prevent injuries, accidents, and regulatory violations.

### VR Safety Training Completion Status<sup>1)</sup>

Category	No. of participants (persons)
<b>Total</b>	<b>12,607</b>
Cheonan	5,149
Ulsan	2,174
Gumi	761
Giheung	3,175
Suwon	1,348

1) Cumulative number of participants from 2024 to 2025

## Workplace Safety Management

### ■ Establishing and Revising EHS Procedures

Samsung SDI establishes and revises company-wide regulations and site standards that serve as EHS operating procedures to enhance employees' safety awareness and execution capabilities and to respond to evolving regulations. To comply with Korea's Serious Accidents Punishment Act, we appointed a Chief Safety Officer (CSO) and established new regulations defining CSO authority and responsibilities, registered in the internal Policy & Manual Management (PMM) system.

### ■ Operating the Integrated EHS System (G-EHS)

Samsung SDI manages 56 items across eight areas: safety, environment, health, chemicals, disaster prevention, partners, audit, and common management. All domestic worksites and overseas production corporations maintain ISO 14001 and ISO 45001 certifications while continuously strengthening management capabilities.

### ■ Occupational Safety and Health Committee

Samsung SDI operates the Occupational Safety and Health Committee with joint labor-management participation to strengthen transparency and practical effectiveness in safety and health decision-making. Through quarterly meetings attended by both management and employee representatives, the Committee shares matters related to safety and health deliberation and resolution and link on-site suggestions to improvements in systems, facilities, and procedures. In 2025, 23 suggestions were received, and all measures were completed by January 2026.

### ■ Building an Emergency Response System

Samsung SDI operates in-house firefighting units available 24 hours a day and has established a joint response system through regular training with relevant departments. An Emergency Response Team (ERT) leads on-site response directly, maintaining constant emergency readiness through systematic management of response manuals and regular training.

## Worksite Safety Activities

### ■ 2025 Management Inspection of Equipment Safety Devices

Samsung SDI conducted management inspections selecting 16 types of high-risk equipment to check the proper operation of safety devices. A total of 1,093 units across five domestic worksites (Cheonan, Ulsan, Gumi, Giheung, and Suwon) were inspected, and all identified issues were fully improved.

### ■ 2025 Second-Half "100 Days of Serious Accident Prevention" Campaign

Samsung SDI carried out the "100 Days of Serious Accident Prevention" campaign to enhance employee safety awareness and prevent industrial accidents. The campaign targeted five domestic worksites (Cheonan, Ulsan, Gumi, Giheung, and Suwon), focusing on five key preventive activities and implementing company-wide risk reduction initiatives for potential serious accidents over a 100-day period.

### Five Key Preventive Activities

- ① **On-site risk assessment and improvement for high-risk processes and tasks**
  - Reassessment of on-site risks to prevent caught-in, falling objects, slips/falls, collisions, and suffocation accidents
- ② **Promotion of the "Five Rules for Preventing Serious Accidents"**
  - Prohibition of unauthorized disabling of safety devices, fall protection for work at height, mandatory use of designated PPE during hazardous work, oxygen concentration checks in confined spaces, and prohibition of unauthorized access to restricted areas
  - Use of visual materials such as meetings, TBM activities, and elevators
- ③ **Technical guidance on safety and health management for partners**
  - SSP partner technical exchange meetings
  - On-site verification of safety measures through visits to equipment manufacturing partners
- ④ **Tabletop exercises for initial response to serious accidents**
  - Scenario-based training covering emergency response, accident investigation, and root cause analysis
- ⑤ **Training for all employees on the Serious Accidents Punishment Act**
  - Online training on the Act and its Enforcement Decree

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## Occupational Health and Safety Risk Management

### Workplace Risk Assessment

Samsung SDI conducts regular risk assessments with direct employee participation to identify and improve hazard and risk factors, and shares the results with all employees to prevent workplace accidents.

Occupational Health and Safety Risk Management 

### Safety Management Support for Overseas Corporations

Samsung SDI is actively carrying out new site construction and capacity expansion at each location to proactively respond to rapidly changing customer needs. In parallel, we have formed task forces composed of experts in each field to provide end-to-end support from design to operation. These teams ensure compliance with local regulations and apply best practices and core safety standards from domestic and overseas sites, thereby establishing a global-level safety management system.

### Improving Potential Risks in Manufacturing Processes

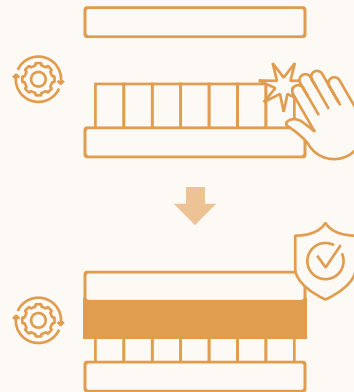
Samsung SDI continuously identifies potential risks embedded in processes and facilities across domestic and overseas operations and proactively manages them through improvement activities. All identified risks are registered in the system and shared with all employees to prevent recurrence of similar risks and enhance overall safety management. In 2025, a total of 191,749 potential risks were identified based on manufacturing and engineering personnel, averaging 28 risks per person and exceeding the target by 133%. In addition, Samsung SDI operates a Safety Culture bulletin board to share best practices for potential risk improvement on a monthly basis. These cases enable employees to benchmark and expand improvement activities, thereby enhancing overall safety standards and supporting accident prevention.

Company-wide potential risk identification performance 

### (Case) Best Practice in Safety Risk Mitigation Measures

#### Prevention of safety accidents by installing a safety guide on the slitter knife unit

Samsung SDI installed a safety guide near the knife to structurally block finger access and prevent cutting injuries caused by knife exposure during electrode slitting operations. This measure not only prevents cutting injuries but also helps avoid process interruptions and physical damage to equipment and products caused by unexpected incidents during operation.



#### Previous Issues

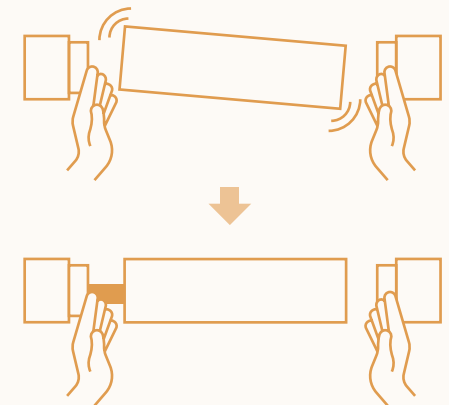
- Risk of safety accidents due to exposure at the knife entry area
- High risk of pinch or cutting injuries during improper operation
- Risk of finger pinch or cutting injuries during material connection work

#### Improvements

Installation of safety guides for anode/cathode knife entry areas to prevent finger pinch and cutting injuries

#### Prevention of safety accidents and musculoskeletal disorders through coater rewinder improvement

Samsung SDI improved the process by installing an additional core guide to prevent finger pinch risks during core mounting operations, enabling stable installation without manual hand support. This measure not only fundamentally reduces the risk of finger pinch accidents but also helps prevent musculoskeletal disorders for operators.



#### Previous Issues

- Risk of safety accidents depending on hand position due to the need for two-hand support during core mounting
- Repetitive core support motions may cause wrist strain

#### Improvements

Structural improvement enabling core installation without two-hand support through the addition of a core guide

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## Strengthening Chemical Substance Management

### Operation of the Chemical Substance Management System

Samsung SDI utilizes its internal G-EHS (Global Environment, Health & Safety) system to identify potential chemical substance compliance issues in advance and verify whether their use is permitted. All chemical substances brought into domestic and overseas worksites are managed so that purchase and introduction are allowed only after completing prior safety and environmental assessments and reviews of legal requirements.

### Managing Hazardous Factors in Production Processes

Samsung SDI conducts ad hoc measurements of hazardous factors when production processes are modified or new R&D substances are introduced. Work environments are regularly assessed twice a year in collaboration with external professional organizations, and exposure levels and ventilation systems are strictly controlled under internal standards more stringent than legal requirements.

Carcinogenic, reproductive toxic, and mutagenic substances are managed at levels below 10% of legal limits. Processes not subject to mandatory measurement are evaluated through exposure prediction simulations, and processes exceeding internal standards are continuously improved through process changes and chemical substitution.

### Use and Management of Hazardous Substances in Products

Samsung SDI actively conducts hazardous substance reduction activities, strictly complying with REACH, RoHS, EU Battery Regulation, and related domestic and international laws<sup>1)</sup>, while continuously investing in R&D for hazardous substance substitution. Additionally, we are increasing the adoption of alternative materials in collaboration with our supply chain partners.

1) No products contain hazardous substances exceeding legal limits

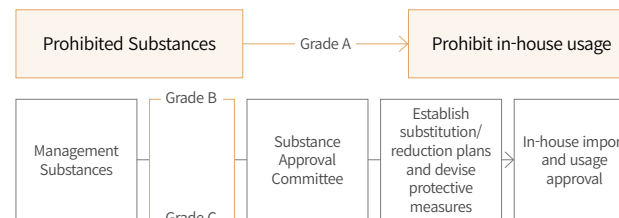
### Operation of Internal Substance Classification and Approval System

Samsung SDI rigorously manages its internal list of regulated substances, including not only legally regulated chemicals but also carcinogenic, reprotoxic, and other harmful substances of social concern. Highly toxic substances such as SVHCs<sup>1)</sup>, CMRs<sup>2)</sup>, and PAHs<sup>3)</sup> are identified and classified by hazard priority to protect workers' health and prevent occupational diseases. Under our internal classification and approval system, substances are categorized into Grades A, B, and C, and prior to worksite introduction, we verify whether use is prohibited, whether substitution or reduction plans are in place, and whether appropriate protective measures have been established.

We also conduct regular risk assessments of chemicals used in our processes, considering hazards, exposure levels, and work characteristics, continuously inspecting handling facilities and workplace conditions including sealing levels. We systematically manage a chemical inventory across all domestic worksites and regularly review compliance with registration requirements under the Act on Registration and Evaluation of Chemical Substances and the Chemicals Control Act.

- 1) Substances of very high concern that may pose significant risks to human health or the environment
- 2) Carcinogenic, Mutagenic, and Reproductive Toxicity substances
- 3) Polycyclic aromatic hydrocarbons: toxic substances generated during the combustion of fossil fuels

### Grading and Approval of Internally Regulated Substances<sup>1)</sup>



1) Classified into Grade A, B, and C according to their level of hazards

## Employee Health Management Support

### Activities for Health Management

Samsung SDI operates a preventive health management system to protect and promote employee health. We provide general health checkups for all employees and conduct special health checkups for those exposed to hazardous factors, strengthening prevention and early management of occupational diseases. We also operate comprehensive and precision health screening programs considering individual health characteristics, providing continuous management through specialist consultations and follow-up care for employees requiring observation.

We operate customized health promotion programs—including blood sugar management, weight loss initiatives, and diet-linked wellness programs—and regular health information sharing to strengthen employees' self-management capabilities. In-house health infrastructure including clinics, physiotherapy rooms, musculoskeletal exercise centers, and health promotion centers provides a daily health management environment.

### Musculoskeletal Disease Prevention

Samsung SDI has designated musculoskeletal disorder prevention as a key health management priority, operating musculoskeletal centers at domestic manufacturing and R&D sites. Centers provide consultations and preventive programs based on professional expertise, with hub centers supplementing sites without dedicated facilities. Hazard factor management is conducted through periodic and ad hoc assessments under the Occupational Safety and Health Act and annual internal inspections.

Samsung SDI conducts annual musculoskeletal symptom surveys to guide health management activities. Survey scope will expand progressively—from manufacturing and engineering personnel in 2025, to development and R&D divisions in 2026, and all employees by 2027.

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## Work Environment Management

Samsung SDI prioritizes the protection of employee health and has established and operates a proactive and systematic workplace environment management system that goes beyond compliance with legal requirements. The scope of management has been expanded to include not only legally designated substances subject to workplace monitoring but also CMR substances that can be measured and analyzed, enabling the identification of potential health risk factors in advance through regular monitoring and analysis.

In addition, Samsung SDI has established Master Cards for managing chemical substances and physical factors across all processes, systematically tracking the characteristics of hazardous factors, exposure potential, management standards, and improvement history. This enables consistent management of process-specific risks and provides a foundation for responding promptly to changes in the workplace environment.

In particular, the company strengthens workplace environment management for vulnerable employees, including pregnant workers, by applying separate management standards for processes with potential exposure and ensuring appropriate job placement and environmental improvements. This reflects a tailored approach to workplace environment management that considers individual employee characteristics.

These efforts go beyond protecting employee health to creating a safer and more comfortable working environment, contributing to a virtuous cycle that enhances employee satisfaction and productivity. Samsung SDI will continue to advance its workplace environment management based on scientific and statistical evidence, fulfilling its responsibility to achieve both a healthy workplace and sustainable growth.

## Partner Occupational Health and Safety Management and Support

### Safety Performance Assessment of Partners

Samsung SDI is implementing various initiatives to enhance the level of safety and health management and strengthen the capabilities of partner companies across its supply chain. Since 2020, the company has continuously conducted safety performance assessments of partners to ensure subcontracting is carried out with companies equipped with the capability to prevent occupational accidents and to proactively mitigate such risks. These assessments are conducted when partner work is performed at locations controlled, operated, or managed by Samsung SDI. For partner companies stationed at domestic worksites, regular assessments are conducted twice a year, in the first and second half. For new construction partners, safety assessments are conducted prior to the bidding stage to verify safety management capabilities before work begins.

In 2025, a total of 723 partner safety assessments were conducted, and five construction partners failed to meet Samsung SDI's assessment standards and were therefore restricted from participating in contract bidding. In addition, the company enhanced its management system by adding a function to the G-EHS system that enables real-time access to the safety assessment status of construction partners, allowing results to be reviewed in advance of work permit approval.

### Partner Safety Support Activities

Since May 2023, Samsung SDI has participated in the "Win-Win Partnership Project for Occupational Safety and Health between Large Businesses and SMEs" organized by the Ministry of Employment and Labor of the Republic of Korea, carrying out collaborative initiatives to enhance the safety and health levels of our partners. By year, we supported 13 partners in 2023, 31 partners in 2024, and 26 partners in 2025 through consulting and health and safety activity projects. We continue to provide support based on internal and external collaboration systems to improve on-site risk factors and strengthen partners' occupational safety and health capabilities.

### Partner Safety and Health Grievance Channels

Samsung SDI operates diverse communication channels to reflect safety and health-related opinions and grievances from partner employees and link them to on-site improvements. In particular, through monthly safety and health councils between contractors and subcontractors, feedback is regularly collected, and the results are shared after review and action.

In 2025, a total of 11 cases were received through these councils at domestic operations, and all cases were fully resolved following site-level review. Samsung SDI will continue to strengthen safety and health collaboration with partners through various channels, including the councils and the internal system(P-EHS) Q&A board, and further promote a safety culture across the entire supply chain.

#### Partner Safety and Health Grievance Handling Status

Category	Unit	2023	2024	2025
No. of Partner Occupational Health and Safety Grievances	cases	28	13	11
Grievance Resolution Rate	%	100	100	100

### CASE

#### Strengthening Community Trust through Open Communication — SDIHU

Samsung SDI is expanding stakeholder engagement, including local residents and environmental organizations, to promote shared growth with the community of Göd, Hungary, where Samsung SDI Hungary (SDIHU) is located. In May 2026, SDIHU participated in a local community forum held in Göd to discuss environmental issues and coexistence measures, and share future plans. Based on these discussions, SDIHU plans to apply internal EHS standards that exceed legal requirements, establish a real-time monitoring system for noise and air quality, and develop procedures to reflect residents' feedback. Samsung SDI will continue to strengthen stakeholder collaboration through open dialogue and responsible action, contributing to trust-building with the local community and to sustainable development.

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## Human Rights Management Policy

### Human Rights Management Policy

Samsung SDI operates a Human Rights Management Policy that complies with relevant human rights principles and regulatory requirements in the countries where we operate, in order to respect the human rights of all stakeholders and manage potential human rights risks across our business activities.

[Human Rights Policy](#)

## Human Rights Management Implementation Framework

### Human Rights Management System

Samsung SDI includes labor and human rights elements as mandatory items in ESG assessment criteria to systematically implement human rights management. We have established a framework to regularly report identified improvement needs to the Sustainability Management Council, attended by senior management, and to systematically manage the progress and results of follow-up actions.

### Labor Practices Policy

Samsung SDI operates labor practice policies aligned with global standards to ensure that all employees and partner company workers can work in a fair and respectful environment.

[Labor Practices Policy Description](#)

## Human Rights Risk Management

### Strengthening Risk Prevention and Protection Measures for Vulnerable Groups

Samsung SDI manages human rights vulnerable groups that require dedicated monitoring based on international human rights standards. We strengthen protection measures for groups potentially exposed to human rights risks by considering various factors such as gender, age, nationality, employment type, and job characteristics. In particular, we designate women and foreign workers as key vulnerable groups and closely assess the status of their rights protection through in-depth interviews and on-site inspections. Based on the assessment results, we establish and implement tailored improvement measures for each group and continue monitoring efforts to enhance the level of human rights protection.

### Key Human Rights Issues and Mitigation Activities

Potential Human Rights Issue		Mitigation Activities
Non-discrimination	Discrimination in hiring, evaluation, promotion, and compensation based on gender, nationality, race, religion, or cultural background	<ul style="list-style-type: none"> <li>Established a system to eliminate any form of discrimination in HR policies based on gender, nationality, race, religion, or cultural background beyond individual performance</li> <li>Operated employee grievance channels to communicate and address HR-related grievances, including those related to discrimination, achieving a 100% resolution rate</li> <li>Conducted fairness training on performance evaluation for organizational heads to ensure reasonable, performance-based evaluation</li> </ul>
Humane treatment	Physical or psychological violence, sexual violence, harassment, or other inhumane behavior	<ul style="list-style-type: none"> <li>Conducted employee training to raise awareness and prevent inhumane behaviors</li> <li>Conducted employee satisfaction surveys to regularly monitor organizational status and foster a cooperative work environment</li> <li>Promoted a culture of communication and collaboration through leadership communication and cross-functional initiatives to proactively prevent inhumane behaviors</li> </ul>
Protection of vulnerable workers	Human rights violations against vulnerable groups including women, persons with disabilities, and foreign workers	<ul style="list-style-type: none"> <li>Provided training on workplace harassment prevention and disability awareness to raise awareness and protect the human rights of vulnerable and minority employee groups</li> <li>Established a governance framework to strengthen diversity, equity, and inclusion (DEI) and continuously discussed key issues related to minority and vulnerable workers</li> </ul>
Safety and health	Industrial accidents or occupational diseases occurring at the workplace	<ul style="list-style-type: none"> <li>Conducted safety and environmental management level assessments and risk assessments at each site to identify potential hazards and implement improvement actions</li> <li>Dispatched expert teams to overseas corporations to provide professional support for safety and environmental management and operations</li> <li>Conducted safety and health communication activities and training programs for employees and partner companies</li> </ul>
Responsible sourcing	Indirect human rights violations resulting from sourcing minerals from conflict or high-risk areas	<ul style="list-style-type: none"> <li>Conducted third-party due diligence on key minerals such as cobalt, nickel, and lithium to identify and mitigate potential social and environmental risks within the supply chain</li> <li>Established a system within the purchasing function to identify trends and risks in the mineral supply chain and review related actions to promote sustainable sourcing of raw materials</li> </ul>

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## Human Rights Risk Review at Overseas Corporations

To promote global human rights management, Samsung SDI conducts annual HR and labor consulting for 15 overseas corporations to assess compliance with local labor laws and identify and manage potential risks in advance. The reviews cover four areas—HR, labor relations, security, and general affairs—and are regularly updated to reflect changes in labor conditions and major legal amendments, reinforcing human rights and compliance management. Vulnerabilities identified through the reviews are addressed through step-by-step improvement plans, and we continue to enhance human rights management by raising awareness of organizational culture and strengthening grievance channels. In addition, we conduct additional reviews for newly established sites or sites undergoing changes to prevent potential issues in advance.

In 2025, we conducted HR and labor consulting for our Americas sales corporation and EU sales corporation, and we will continue to strengthen our efforts to prevent human rights and labor risks going forward.

### Status and Goals for Overseas Corporation HR and Labor Consulting

Category	Unit	Status			Goals
		2023 <sup>1)</sup>	2024	2025	2026-2027
Overseas Corporation HR and Labor Consulting	cases	-	3	2	2

1) No local consulting conducted in 2023 due to COVID-19

## Preemptively Managing Labor and Human Rights Risks

To prevent potential human rights risks that may affect stakeholders in our business operations, Samsung SDI identifies and closely manages worksites located in regions vulnerable to labor and human rights issues. Under the supervision of the Headquarters or through self-assessments at each site, we review compliance with human rights standards in areas such as child labor and forced labor, working hours, wages and benefits, humane treatment, prohibition of discrimination and harassment, and freedom of association. In response to changes in relevant laws, we take immediate action to improve internal systems and continuously strengthen the level of human rights protection.

## Fostering a Culture of Human Rights

### Raising Company-Wide Human Rights Awareness

Samsung SDI operates diverse reporting channels and training programs to foster a corporate culture that protects and respects human rights. Reports are received through various channels, including anonymous and real-name email reporting, phone reporting, and reporting to department heads or HR, and are handled in accordance with internal policies and disciplinary guidelines depending on the severity of the issue. To prevent potential human rights risks, we provide all employees with training on sexual harassment prevention, disability awareness, and a culture of mutual respect in line with the Anti-Bullying Law. Our human rights training curriculum is updated annually to reflect regulatory amendments, internally identified human rights impacts, and evolving employee needs. In addition, basic human rights guidance materials—such as sexual harassment prevention training, mutual respect culture materials, and employee practice guidelines—are posted on the “It Basic” bulletin board of our in-house website, providing ongoing guidance on behavioral precautions and appropriate responses to issues such as sexual harassment, verbal violence, and drinking culture.

In addition, Samsung SDI operates its dedicated communication channel, the “Leader’s Channel,” to share human rights-related activities and cases with department heads and cascade this information to their teams. Through this channel, HR-related updates and other key notices are shared with department heads and Change Agents (CAs), along with Q&A sessions on major issues. Approximately 50 employees per site participate, and the channel is operated monthly, with a total of 12 sessions held in 2025.

### Response Process for Human Rights Risk Cases

Case Reporting	1	Verification of Reported Facts	2	Investigation Initiation	3	Investigation Completion	4	Case Closure	5	Result Notification & Feedback	6
<ul style="list-style-type: none"> <li>Notify the reporting party of case submission procedures</li> </ul>		<ul style="list-style-type: none"> <li>Appoint an investigator</li> </ul>		<ul style="list-style-type: none"> <li>Conduct investigations involving the reporter, the reported party, and relevant witnesses</li> <li>Collect supporting evidence</li> </ul>		<ul style="list-style-type: none"> <li>Determine the facts based on the investigation results</li> <li>Seek external consultation from a labor law firm</li> </ul>		<ul style="list-style-type: none"> <li>Take follow-up actions, including disciplinary measures, based on the finding</li> </ul>		<ul style="list-style-type: none"> <li>Notify the reporter of the outcome</li> <li>Monitor for any secondary harm</li> </ul>	

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## Grievance Handling

### Operation of Grievance Handling Channel

Samsung SDI operates internal online and offline grievance handling channels, expanding their scope beyond the UN Global Compact (UNGC) 10 Principles to include complaints, requests, and suggestions for improving working conditions. Employees may submit concerns anonymously, and the prohibition of retaliation against whistleblowers is clearly stipulated in the obligation to comply with the employee code of conduct, ensuring transparency and fairness in the grievance process.

Workplace-related grievances and suggestions concerning human rights and other issues may be submitted either anonymously or under real names, depending on the employee's preference. In line with the principle of responding within 24 hours, relevant departments respond promptly to each case. In 2025, a total of 2,522 grievances were reported by employees, and 100% of valid submissions were resolved.

In addition, when human rights violations are reported through a separate internal online reporting channel, cases are handled promptly in accordance with grievance handling procedures aligned with the UN Guiding Principles on Business and Human Rights (UNGPs). Continuous monitoring is conducted to prevent recurrence and eliminate potential risks. For general inquiries, responsible personnel take action and post the final improvement results in the reply. Where decision-making is required, issues are escalated to relevant HR department heads, and responses reflect the outcome of those discussions. Improvement actions are posted on the internal grievance platform (Sisicolcol bulletin board) and are simultaneously communicated to the employee via automated email notifications.

Employee Grievance Handling Cases Received 

## Employee Representative Bodies Activities

Samsung SDI operates various employee representative bodies to promote constructive communication with employees and build cooperative labor-management relations. There are two labor unions in Korea and five overseas. In Korea, we clearly state in the "Code of Conduct for Employees" our commitment to respecting the rights to freedom of association, collective bargaining, and collective action. We prioritize employee safety and health and maintain mutually beneficial labor-management relations with labor unions. We negotiate working conditions in compliance with fundamental labor rights and faithfully conclude collective and wage agreements based on mutual consensus.

In addition, in accordance with the Act on the Promotion of Workers' Participation and Cooperation, we operate six labor-management councils in Korea and four overseas, holding meetings at least once per quarter in line with site characteristics. Employee representatives are elected by secret ballot, and the councils serve as a platform to regularly communicate and deliberate on working conditions, including the work environment, grievances, and HR system improvements.

Overseas corporations operate labor unions or councils in compliance with local labor laws and regulations, and engage in communication based on mutual respect between the company and employees to reach agreements on improving working conditions.

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## Principles for Talent Recruitment

### Talent Recruitment

Samsung SDI strives to secure top talent under the philosophy that “people are the future.” To provide equal opportunities for all, we conduct open recruitment for new employees based solely on individual capabilities, eliminating any discriminatory factors. For experienced professionals, we operate a flexible hiring process to attract outstanding talent from across the industry. In addition, we operate internship programs for university students and scholarship programs for vocational high school students, providing opportunities to gain practical experience and knowledge while securing high-potential talent at an early stage. We also continue to expand recruitment of individuals from diverse backgrounds, including persons with disabilities and veterans.

Talent Philosophy 

### Securing Industry Experts

Samsung SDI is focusing on recruiting expert talent to secure industry-leading technological capabilities. We continue to build a global network with outstanding talent and industry leaders across Korea, the United States, Europe, and other regions. As part of these efforts, in 2025 we held Tech & Career Forums in major global locations, including California, inviting master’s- and doctoral-level students from leading science and engineering universities as well as industry professionals. Executives, including the CEO, directly participated in these forums to share the company’s vision and goals, and showcased key products, offering participants opportunities to experience Samsung SDI’s technological capabilities firsthand. In addition, we actively participated in major industry events such as InterBattery 2025 in Korea and Europe and CES 2025, further strengthening our network with experts from academia and industry.

### Securing Global Talent

Samsung SDI is securing top-tier talent across diverse fields through campus recruiting at leading universities not only in Korea but also in the Americas and Europe, as part of its core strategy to strengthen global competitiveness. Since 2022, we have established R&D centers in the United States, Germany, and China to expand the recruitment of outstanding global R&D talent. In addition, since 2023, we have been recruiting multinational talent by operating a hiring program for experienced foreign professionals in R&D roles in Korea.

## Talent Development Policy

### Fostering Job Experts

Samsung SDI strengthens employees’ job competencies and continuously nurtures experts to enhance technological competitiveness in the battery and Electronic Materials Business. Employees assess their job competency levels each year through competency evaluations and establish individual learning plans based on their growth goals. They then build their capabilities through tailored training programs provided by the company across development, technology, manufacturing, quality, sales & marketing, and management support.

In particular, we have advanced technical training through STEP (SDI Technology Education Program), Samsung SDI’s specialized program, by enhancing technical education in stages across various functions such as development, process/facility engineering, technology, and quality. In 2025, a total of 2,983 employees completed 125 courses under STEP. In addition to company-led programs, we operate the EA (Education Agent) program to support field-driven job training at the department level. Under EA leadership, each department plans and delivers customized training such as learning cells and seminars. In 2025, 21,738 employees participated in 926 such courses.

Samsung SDI also supports participation in external development programs by operating academic training programs that enable employees to pursue MBA or STEM-related master’s and doctoral degrees both in Korea and abroad, fostering expertise across job functions.

In addition, to accelerate the transition beyond DX to AX, we provide online and offline training on software and AI to strengthen core capabilities required for developing systems related to smart factories, data platforms, simulation, and AI. We also operate an AI expert certification program to develop advanced AI expertise in stages and foster AI specialists.

### Talent Development System

Internal Training					External Training
Goal	Vision/ value sharing	Leadership improvement	Global talent development	Job expert development	MBA Regional Specialist Field Specialist Academic training
Educational Training	Onboarding training for new hires	Leadership training	Intensive courses provided at the Foreign Language Residence Hall	Job training	

Integrated Education Portal 'SDI Edu Park'

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## Fostering Future Industry Talent

Samsung SDI is making multifaceted efforts to secure and nurture core talent to lead the global battery market. In collaboration with six domestic universities, we operate battery talent development programs providing customized education in battery materials, cells, and systems, with students participating in courses, research, and various programs and competitions. Beginning in 2026, Samsung SDI will establish a contract-based Department of Battery Engineering with Sungkyunkwan University, selecting 30 freshmen annually. We also collaborate with leading domestic and international universities on industry-academia projects and expand joint growth opportunities through open innovation activities including internship programs and scholarship support.

## Global Capability Development

As Samsung SDI expands globally in battery and Electronic Materials markets, we operate foreign language training programs to enhance employees' global competitiveness, including a Global Language Center, short-term intensive courses (two to seven days), and the daily Global Lounge program. Phone-based training further improves accessibility and continuity. In 2025, a total of 2,294 employees participated in foreign language training, and the proportion of advanced level holders increased from 40.7% in 2024 to 40.9% in 2025. To support global expansion and fostering expatriates for overseas subsidiaries, Samsung SDI operates a Regional Specialist Program for deepening understanding of strategic countries and a Field Specialist Program for building on-site capabilities through practical experience at overseas subsidiaries. Through these programs, 29 global experts were nurtured in 2025.

## Employee Competency Development Program

### Operation of the Technology Training Center

The battery industry is a highly technology-intensive field, where capabilities in developing, installing, and optimizing production equipment, as well as analyzing data generated throughout manufacturing and development processes, are essential for driving process innovation and improving product quality. To this end, Samsung SDI operates the Technology Training Center, which provides structured education on the core knowledge and skills required in equipment, process, and quality fields. To strengthen equipment technology capabilities, the Center offers step-by-step training programs from beginners to experts. It also develops field-tailored hands-on training equipment by technical domain, such as mechanical and control, and provides practical training under a one-person-per-equipment system to enhance hands-on capabilities.

With the growing importance of data analysis, the Center offers statistical analysis courses, including regression and factor analysis using process and experimental data, as well as AI analysis programs based on Python. These programs support employees in enhancing their capabilities in simulation model development. In 2025, 876 employees participated in equipment technology training and 2,498 employees in data analysis training.

In addition, to strengthen the capabilities of equipment engineers at overseas subsidiaries, we are improving local instructor training processes and expanding equipment training infrastructure to enhance on-site self-sufficiency. Through continuous expert development and curriculum advancement, Samsung SDI's Technology Training Center contributes to securing future technological competitiveness and improving quality and productivity.

### Training Effectiveness Assessment

To ensure effective training programs, Samsung SDI collects diverse feedback from employees and uses it to identify directions for future improvement. After completing training, participants evaluate each course using a five-point scale across criteria such as overall satisfaction, areas for improvement, and applicability to their actual work. Through this effectiveness analysis, we strive to ensure that training meaningfully contributes to enhancing employees' competencies.

### Integrated Training Portal

To support the continuous growth of employees, Samsung SDI operates the integrated training portal "SDI Edu Park." Employees can easily view a wide range of in-house training programs and directly enroll in courses of their choice through the platform. In addition, the mobile application enables access to the portal anytime and anywhere, both domestically and overseas, creating an environment for continuous learning without time and location constraints.

To foster a self-directed learning culture, SDI Edu Park provides year-round online training programs that employees can freely select and complete. Training content is regularly updated to expand practical and highly usable programs. Based on this learning environment, a total of 18,092 course sessions were completed annually. In addition, we operate various programs to strengthen job expertise and global capabilities, including professional certification courses, phone-based foreign language training, and AI-based language programs, with 6,737 course sessions completed.

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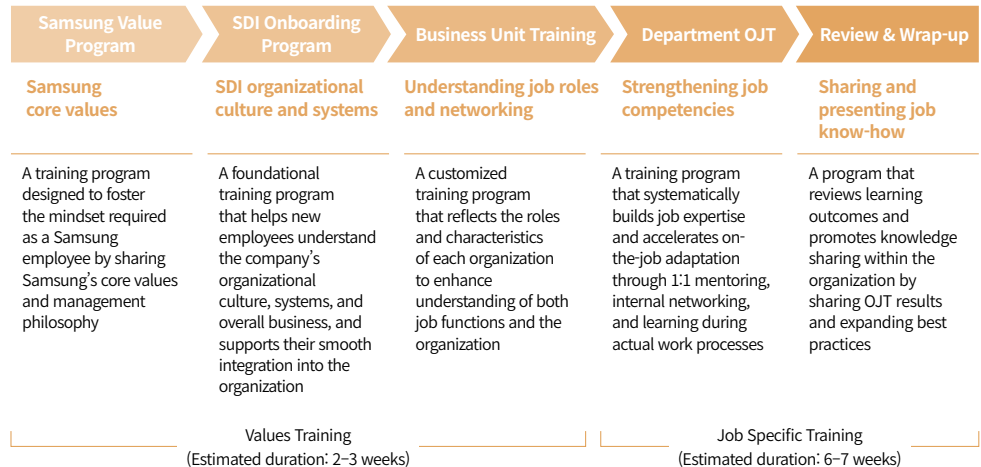
## Onboarding Program

Samsung SDI has established and operates a systematic onboarding system to help new and experienced employees understand the company's core values and organizational culture and support their continuous growth.

### New Employee Onboarding

The onboarding program for new employees is an annual program designed to enhance job immersion and accelerate early performance based on an understanding of the company's organizational culture and systems. Through Samsung orientation training, employees gain an understanding of Samsung's core values, organizational culture, and key systems. The common competency modules provide opportunities to build networks with colleagues through various collaborative activities, while job modules help employees acquire basic job knowledge. Employees also visit manufacturing sites after completing basic process and quality courses to enhance their understanding of products. After department assignment, employees receive various training programs, including job-focused learning seminars, on-the-job training (OJT), mentoring by senior employees, and language training, to systematically strengthen fundamental job competencies and support rapid organizational adaptation.

For R&D and technical personnel, capabilities required for technical roles are further strengthened through hands-on training, process rotation assignments, and practical, problem-solving-oriented education. At the final stage of onboarding, employees share their OJT experiences and participate in presentation sessions to review learning outcomes. For experienced hires, we also provide orientation training and mentoring programs to enhance their understanding of the organization and support stable job performance in their roles.



## Leadership Development

Samsung SDI operates a wide range of leadership development programs to systematically build leadership capabilities across all stages of employee growth, from new hires to executives. All new employees participate in onboarding training, where they learn the company's vision and values and develop self-management and goal-setting skills to build their leadership capabilities. As employees advance through promotions, we provide tiered training programs to help them understand their evolving roles and strengthen their leadership and organizational management capabilities.

In addition to career stage-based programs, Samsung SDI offers customized leadership training for those in managerial positions—such as team leaders, group leaders, project managers, and frontline supervisors—tailored to their responsibilities and organizational contexts. These initiatives support employees in effectively demonstrating leadership in line with their roles.

## Retirement Support System and Programs

Samsung SDI operates the Career Consulting Center to provide outplacement services that support employees in making a stable career transition and planning a new chapter in life. These services include individual assessments and life and career planning using standardized analysis, career consulting through mentoring, outplacement training, and job matching support through the Center's extensive network. In accordance with the Elderly Employment Act, the Career Consulting Center informs employees approaching retirement about available outplacement services through the company's online bulletin board and printed materials. This allows employees to be informed in advance and, if needed, receive more detailed information through consultations, enabling them to utilize the services based on their individual needs.

### Outplacement Support Services

Life · Career Design	Career Consulting	Outplacement Support Training	Job Matching
Perform highly reliable analyses on occupational values, preferences, and job competences to use the results for training and consulting	Provide counselling, coaching and mentoring to help set and attain individual outplacement goals	Explore diverse career alternatives, including moving to another company or starting one's own business, depending on individual assessment outcomes, competences, and preferences	Match applicants' needs with businesses and educational institutions in need of talent in a customized manner

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## Diversity, Equity, and Inclusion Framework

### Direction for Diversity, Equity & Inclusion (DEI)

Samsung SDI builds an inclusive organizational culture where employees with diverse backgrounds and perspectives collaborate to drive innovation, based on respect for diversity and inclusion as core values for sustainable innovation and growth. We provide equal opportunities to all employees without discrimination based on gender, nationality, race, religion, or cultural background in hiring, evaluation, promotion, and compensation, and create a work environment where individuals can fully realize their potential. In addition, we provide fair access to training opportunities to nurture talent with inclusive leadership capabilities and manage diversity metrics, including the proportion of female managers.

### Prohibiting Discrimination and Harassment, and Ensuring Fair Systems

Samsung SDI implements various policies to ensure that all employees work in an environment of mutual respect, free from discrimination. We operate manuals to prevent and respond to workplace harassment and maintain fair and transparent systems across hiring, evaluation, promotion, and compensation. In addition, we provide settlement support services for foreign employees and international students in Korea, helping individuals from diverse backgrounds grow and adapt to their work and living environments.

## Fostering a Culture of Diversity and Inclusion

### Enhancing Communication with Top Management

Samsung SDI operates a range of communication channels to promote active dialogue between management and employees. We hold All-hands Meetings with the CEO twice a year to share the company's management status and vision. In 2025, we newly introduced a "Shredder Time" session based on anonymous Q&A, creating a more open and candid platform for addressing employees' questions. In addition, we operate quarterly town hall meetings by business division, providing opportunities for employees to communicate directly with management on topics such as work culture, communication and collaboration practices, and mid- to long-term vision. We also run various programs, including site meetings and the monthly "Leader's Channel" attended by department heads, to foster an open organizational culture. These diverse communication initiatives promote two-way communication based on mutual understanding and trust, serving as a foundation for enhancing engagement and building a healthy organizational culture.

### Promoting Female Leadership

Samsung SDI systematically expands female leadership to strengthen organizational diversity and achieve sustainable growth, monitoring women's representation across recruitment, evaluation, promotion, and development. Over the past five years, the proportion of female executives increased from 6.7% to 9.6%, and female managers rose from 11.2% to 15.8%. We will continue strengthening female employees' expertise and supporting the development of future female leaders.

Category	Description	Unit	2020	2024	2025
By Job Function	Percentage of female employees in development roles	%	20.1	27.9	28.6
	Percentage of female employees in sales and marketing roles	%	25.5	34.9	36.2
Leadership	Percentage of female executives	%	6.7	8.5	9.6
	Percentage of female managers	%	11.2	15.1	15.8

### Gender-Based Pay Gap Management

Samsung SDI operates a fair compensation system based on the principle of equal pay for equal work, without discrimination based on gender. New employees are offered the same annual salary regardless of gender, and performance-based salary increases and promotion-related adjustments are applied equally. As of 2025, the average wage level of female employees was 81% of that of male employees, primarily due to differences in years of service and job level distribution. There is no gender-based discrimination in the compensation system, and we will continue to monitor the gender pay gap and make ongoing efforts to reduce it.

### Maternity and Childcare Support Programs

Samsung SDI provides work-life balance programs to support employees during pregnancy, childbirth, and childcare, regardless of gender, contract type, or employment status, including contract and dispatched workers. Although statutory parental leave is available until a child reaches eight years of age, we have extended eligibility to age twelve to provide greater flexibility. In addition, the total parental leave period—consisting of one year (52 weeks) of legally mandated leave and one additional year (52 weeks) provided by the company—can be divided into up to three separate periods. In 2025, we enhanced the Plus parental leave program by granting annual leave for the following year regardless of the leave period, supporting employees in balancing work and family life after returning to work. Employees whose spouses give birth are entitled to up to 20 days of paternity leave.

To support employees and families experiencing infertility, we operate programs that exceed statutory requirements, including up to one year of infertility leave (divided into up to three periods), six days of leave per year (five of which are paid), and financial support of up to KRW 1 million per year for medical expenses. In addition, all worksites operate maternity protection rooms for pregnant and breastfeeding employees, as well as on-site childcare centers, to support work-life balance.

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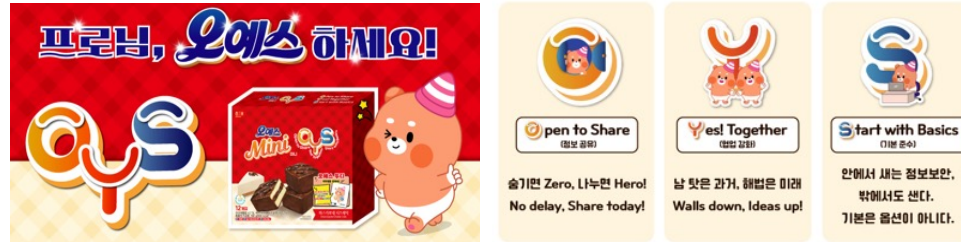
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## Promoting a Collaborative Culture and a Workplace Based on Mutual Respect

Samsung SDI operates various campaigns to promote a collaborative culture and foster a workplace based on mutual respect. In 2025, we launched the O.Y.S campaign to create synergy by strengthening information sharing and collaboration across departments, while also promoting a work culture that adheres to fundamentals and principles. Through collaboration with a confectionery brand, we provided snacks and merchandise to encourage more engaging participation from employees. The campaign is structured around three key themes—Open to Share, Yes! Together, and Start with Basics—and identifies and spreads best practices through various challenges and recognition programs.



## Improving Positive Experience for Employees

Samsung SDI creates opportunities for employees and their families to enjoy shared experiences and build a sense of belonging by hosting annual theme park-style family invitation events. In 2025, a total of 6,100 employees and their family members (1,500 families) were invited to participate. Employees and their families engaged in a variety of hands-on programs, including sharing flea markets and ESG-themed activities such as bicycle power generation experiences. Through these meaningful experiences, participants built positive memories and strengthened their connection to the company.



## Organizational Culture of Communication and Collaboration

Samsung SDI promotes various innovation initiatives to establish an organizational culture based on communication and collaboration. Each year, we select Change Agents (CAs) by department and carry out culture improvement activities in collaboration with department heads. In 2025, CA-led initiatives focused on strengthening collaboration and fostering an efficient work culture, driving employee motivation and engagement to support performance generation. These efforts also help global talent adapt smoothly to new organizational environments and contribute to improving overall job satisfaction.

## Organizational Health Assessment

To foster a healthy and inclusive organizational culture, Samsung SDI conducts the Samsung Culture Index (SCI) survey annually for all employees. The SCI consists of three key categories—Engagement (Enjoyable Work), Collaboration (Working Together), and Pride (Proud Company)—and includes both outcome questions that assess the current state of organizational culture and driver questions that identify areas for improvement. This enables each organization to effectively diagnose its cultural health and derive actionable improvement measures.

The results are categorized into four levels: excellent, good, improvement needed, and warning. Based on these results, we analyze and share trends to build company-wide alignment on the need for organizational culture improvement. In addition, we have established a structured process—from in-depth analysis of results to planning and implementation of improvement actions—to support tailored initiatives at the department level and drive meaningful improvements in organizational culture.

Organizational Culture

## Fair Performance Evaluation

Samsung SDI operates a performance-based HR system in which evaluations are determined through a performance management process for all employees, and compensation levels and growth opportunities are differentiated accordingly. Leaders and employees jointly set work goals and competency development plans, and provide ongoing feedback to support goal achievement and growth. We operate an objection process for evaluation results and conduct annual surveys to assess employees' perceptions of evaluation fairness. By analyzing the results and reflecting improvement points, we continuously enhance the fairness of performance management processes and outcomes. In addition, to promote collaboration and communication, we operate a peer review system that enables employees to provide feedback to one another, as well as a 360-degree leadership assessment for key leaders. Based on these results, we provide tailored development programs along with comprehensive feedback.

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## Work-Life Balance

### Fostering a Flexible Work Environment

Samsung SDI operates various work arrangements to create a flexible working environment that supports employees in maintaining work-life balance. Through systems such as flexible working hours and hourly annual leave, employees can manage their own schedules and work more flexibly beyond time constraints. In addition, we operate “Family Day,” which allows employees to take a day off on the Friday of the week that includes the monthly payday, provided that required working hours are fulfilled. This initiative helps create an environment where employees can devote more time to personal development and leisure activities.

<b>Flexible Work Arrangements</b>	Selective working hours system, flexible working hours system, etc.
<b>Annual Leave Promotion System</b>	Promotes work-life balance and provides opportunities for rest and recharge through appropriate use of annual leave
<b>Work-Life Balance Culture</b>	Operates “Family Day,” allowing employees to take a day off on the Friday of the week that includes the monthly payday * Available upon fulfillment of required monthly working hours

### Fair Compensation Practices

Samsung SDI guarantees appropriate wages for all employees and systematically manages working hours and overtime in compliance with domestic and international laws and standards. When employees work beyond statutory hours, we provide fair overtime compensation in accordance with relevant regulations. We also conduct regular reviews and improvements of wage systems and working conditions. Samsung SDI will continue to maintain a transparent and fair compensation structure and make ongoing efforts to protect employee rights and enhance workplace satisfaction.

### Employee Stress Management

Samsung SDI conducts an annual mental health assessment (HCI, Happiness Care Index) to support employees’ psychological well-being. Through this assessment, employees can review their level of happiness and current mental health status, including stress, and receive guidance for self-management. In addition, employees can access one-on-one Mind Care Service with professional counselors when needed.

### In-house Benefits Programs

Samsung SDI operates a wide range of welfare programs to help employees lead better lives and enhance their overall quality of life. These include housing loan interest support, flexible welfare points, leisure activity support, in-house daycare centers, counseling rooms, mental health clinics with specialists, musculoskeletal centers, and fitness centers—providing both systems and infrastructure to support housing, childcare, physical and mental health, and refreshment. In addition, to support a stable post-retirement life, we provide personal pension contribution support of up to KRW 350,000 per month.

#### Welfare Program Overview

<b>Housing loans and financial support for family events</b>	<ul style="list-style-type: none"> <li>Operate a housing loan program to assist employees without a home in purchasing a house</li> <li>Provide financial support in the event of family occasions</li> </ul>
<b>Selective welfare &amp; benefits program</b>	<ul style="list-style-type: none"> <li>Grant welfare points that can be used in areas such as health management, leisure, and self-development</li> </ul>
<b>Leisure</b>	<ul style="list-style-type: none"> <li>Offer discounts for Caribbean Bay and theme parks</li> <li>Provide memberships to nationwide condominiums and resorts</li> </ul>
<b>e-Library</b>	<ul style="list-style-type: none"> <li>Provide access to e-books and audiobooks anytime, anywhere</li> </ul>
<b>Educational expense support and in-house daycare centers</b>	<ul style="list-style-type: none"> <li>Provide tuition support for employees’ children</li> <li>Operate in-house daycare centers at each business site</li> </ul>
<b>Psychological support</b>	<ul style="list-style-type: none"> <li>Provide professional counseling through the Open Counseling Center</li> <li>Operate the Mental Health Clinic</li> </ul>
<b>Health management</b>	<ul style="list-style-type: none"> <li>Provide health checkups for all employees</li> <li>Support medical expenses for employees and their spouses in case of illness, injury, or childbirth</li> <li>Operate fitness centers and physiotherapy rooms</li> </ul>

# Strengthening Customer Safety and Product Responsibility

## Quality Management Policy

### Quality Management Principles

Samsung SDI has established and implements quality management principles to secure best-in-class quality based on its advanced technological capabilities. In addition, we apply the “Quality Management 10 Commandments” across all business sites to support all employees in developing a quality-focused mindset and using it as a standard for action.

[Quality Management 10 Commandments](#)

### Quality Management Code of Conduct

Samsung SDI operates a Quality Management Code of Conduct to ensure that all employees uphold quality as the highest priority. Employees comply with global quality standards and regulations to deliver best-in-class products and services in the battery and electronic materials business, with a strong focus on securing product safety and reliability. We also pursue continuous quality innovation in alignment with global quality standards. In addition, we have established a prompt and accurate response system for quality-related issues, reinforcing customer trust.

[Quality Management Code of Conduct](#)

## Quality Management System

### Quality Management System Certification

All Samsung SDI sites manage quality based on ISO 9001, the international quality management system standard, and IATF 16949, the quality management system standard for the automotive industry. We operate a quality assurance framework that meets customer requirements across all operations.

[ISO 9001](#) [IATF 16949](#)

## Customer Satisfaction Management

### Responding to Voice of Customer (VOC)

Samsung SDI continuously improves shortcomings in the Q-VOC management process, which serves as the foundation of customer response. We establish response systems based on issue severity, and for critical matters, executive-led taskforces enable relevant departments to collaborate quickly and respond in a timely manner. For quality issues requiring extended response time and recurring defects, we systematically manage the completion timing of improvement actions and conduct effectiveness verification activities, while continuously pursuing improvements to reduce VOC response lead time and the 90-day delay rate. In 2026, Samsung SDI plans to refine the calculation methodology for VOC response lead time and the 90-day delay rate to manage more effective indicators. In addition, through factor mapping by corporation and production line, we will rapidly share improvement measures and verify their implementation to prevent the recurrence of similar issues.

We also plan to establish a system to proactively manage initial market defects for key models in order to strengthen product and process quality, while enhancing quality competitiveness and customer satisfaction through rapid communication and decision-making with relevant departments.

In the Electronic Materials Business, amid the renewed growth of the global semiconductor market driven by increasing demand for AI semiconductors, high-performance computing (HPC), and automotive semiconductors, customers are increasingly requiring enhanced quality management in areas such as material reliability and consistency. As semiconductor devices continue to advance toward greater miniaturization and integration, required quality standards are rising each year, while the display materials business faces expanding localization among Chinese customers. To proactively respond to these market changes, Samsung SDI is strengthening its quality management system through strategic investment in quality evaluation equipment and securing advanced quality based on customer collaboration, thereby striving to achieve the highest level of quality competitiveness demanded by customers.

### Managing and Improving Customer Satisfaction

Samsung SDI continues to manage customer satisfaction as a key performance indicator (KPI) representing the core capabilities of the CS team. In the Mobile & Power Battery Business, we expanded the number of key CSI target customers from four to ten and conducted biannual surveys to identify major issues by customer and carry out improvement taskforce activities. In addition, we operate regular quality meetings for each customer to internally share key requirements and promote meaningful improvements in customer satisfaction and quality through collaboration with relevant departments.

As a result of these efforts, despite setting high CSI targets, we achieved our targets for six out of ten customers. In 2026, we plan to expand the number of key CSI target customers to 15, while intensively managing customers that did not meet targets and extending our customer satisfaction response framework to additional customers.

In the Automotive & ESS Battery Business, we strengthen customer-centric service system to enhance product quality reliability and continuously improve customer satisfaction. We participated in the “CI (Continuous Improvement) Project,” a quality competition hosted by its customer Schneider Electric, and was awarded the Grand Prize in the Six Sigma category in recognition of its significant improvement in malfunction issues of temperature sensors used in UPS battery modules, thereby strengthening customer trust.

In the Electronic Materials Business, we conduct comprehensive customer satisfaction evaluations across five key areas: product quality, issue response, technology response, delivery and supply stability, and development capability. In addition to quantitative evaluations, we also conduct qualitative analysis. Furthermore, we operate regular engagement meetings with key customers to systematically collect VOC and actively reflect it in quality improvement activities. Through these efforts, Samsung SDI continues to enhance customer satisfaction and strengthen long-term partnerships.

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## Strengthening Quality Improvement Activities

### Enhancing Quality Competitiveness Through Strengthened Product Inspection

Samsung SDI strengthens its product inspection process to prevent defects at customer sites. When foreign matter is detected in outbound products, we promptly share the situation with customers and prioritize the supply of non-defective products to prevent defects on customer lines. At the same time, we quickly conduct sorting and take corrective actions for the affected lot to contain the issue. We then perform root cause analysis of the foreign matter contamination and establish measures to prevent recurrence. Through these efforts, we enhance customer trust in product quality and further strengthen our quality competitiveness.

### Sharing Battery Market Field Issues with All Employees

In the first half of 2025, Samsung SDI conducted training on battery market field issues for all employees, including those at overseas corporations, to enhance quality and safety awareness. Through this training, we fostered a shared understanding across the organization to ensure that even minor abnormalities in the battery manufacturing process are not overlooked. It also served as an opportunity to establish a culture in which any abnormal signs are immediately reported, root causes are identified, and continuous monitoring and improvement are carried out until the issue is resolved—even if the issue is not yet classified as a defect in the production stage.

All internal and external failure cases (lessons learned) derived from quality issues are registered in the system to prevent recurrence in advance. Going forward, we will institutionalize training on market quality issues to further strengthen our “safety and quality first” culture and enhance trust from customers and society.

### Quality Improvement Support Activities

Samsung SDI continues to enhance Q-Gate<sup>1)</sup> to secure quality competitiveness at both domestic and overseas production sites. For newly established lines at domestic and overseas corporations, we strengthen the TQR (Total Quality Review) process to ensure early mass-productibility. To this end, we reflect past failure cases through white papers, secure equipment homogeneity, raise the Yellow standard level, and establish a quality risk review stage. In addition, the quality team participates in the equipment specification deliberation phase to reinforce quality-focused reviews from the initial stage of equipment introduction.

Prior to Pre-TQR, we conduct advance reporting of equipment changes and impact discussions, and carry out performance equalization activities using quality validation tools for equipment homogeneity (analysis of best and worst equipment). Following TQR approval, we perform Safe Launching activities at the SOP (Start of Product) stage by reviewing process data analysis and vision inspection results for approximately two months to improve key issues and enhance the Q-Gate system. These efforts enable rapid improvement of initial mass-production quality and early stabilization of yield.

In 2025, we improved equipment and process defects through taskforce activities targeting worst-performing issues and further strengthened Q-Gate functions by inspecting Q-Matrix measures.

To enhance quality improvement and management at overseas corporations, we operate regular councils between headquarters and overseas corporations and conduct audits to elevate quality levels. Based on these efforts, in 2026 we plan to strengthen early-stage design risk checks at the PIA (Product Implementation Approval) phase through Early Engagement activities to support timely development. In addition, we will promote “Strong yet Flexible” initiatives based on abnormal case studies and Q-VOC analysis to proactively manage market risks and achieve best-in-class quality.

1) Quality Gate: pre-validation of process quality

### Supporting Partners with Quality Improvement

Samsung SDI conducts regular quality assessments and evaluations to strengthen the quality capabilities of its partners and provides customized improvement support based on the results. In 2025, we carried out quality improvement activities focused on pre-validation of failure cases and Gate inspections, aiming for rapid quality stabilization of new partners and new models. As a result, we improved chronic defects in materials and parts, contributing to overall quality enhancement. We also strengthened win-win collaboration by improving partners’ VOP (Voice of Partner) through the rationalization of inspection methods for materials and parts. In addition, for key partners, we designated responsible executive sponsors to systematically promote process improvement and technological collaboration.

In the Electronic Materials Business, Samsung SDI has continuously carried out site-based improvement activities to strengthen the quality capabilities of raw material partners. In 2025, we conducted activities centered on two key areas for 13 raw material partners: improving evaluation consistency and operating quality exchange meetings, including on-site inspections. To enhance evaluation consistency, we aligned evaluation conditions with our standards and implemented improvement measures for unreasonable measurement conditions. Through quality exchange meetings, we provided quality mindset training and statistical education to enhance problem-solving capabilities as part of quality mentoring activities. In addition, by strengthening process audits for raw material partners, we identified a total of 304 non-conformities across 20 partners and are carrying out continuous improvements. For underperforming partners, we are implementing focused management to drive overall capability uplift.

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## Battery Safety

### Safety Review of New Product Development

Samsung SDI places the highest priority on safety from the early stages of battery development by thoroughly reviewing design and manufacturing processes. In particular, we have established a systematic process and system to verify at each stage whether internal and external failure cases (Lessons Learned), accumulated through extensive business experience, are properly reflected in design and manufacturing. During the development phase, we continuously identify new types of safety risks and conduct non-destructive testing, accelerated verification, and limit assessments to proactively detect potential hazards across the entire product lifecycle. In addition, failure cases collected from various sources, including process issues during mass production and VOC received from customers, are systematically stored in a database and applied as review items across all models under development through the system, ensuring that similar issues do not recur.

### Battery Safety Inspection

Samsung SDI enforces rigorous quality control from raw material intake to finished product shipment. Through advanced inspection and monitoring, we secure not only consistent quality but also safety, while preventing defect leakage. Safety-related factors are reviewed from the development phase, and corresponding Q-Gates are established and validated. In addition, we operate and manage quality inspections across materials, semi-finished goods, and finished products through system-based processes, while continuously enhancing defect detection techniques using process data.

<b>Compression</b> 1 A test that applies pressure using heavy weight	<b>Penetration</b> 2 A test that pierces with a nail	<b>Drop</b> 3 A test that drops the product	<b>Vibration</b> 4 A test that creates a vibration environment to observe responses	<b>Inertia</b> 5 A test that simulates sudden braking conditions in a vehicle to generate inertia and observe responses
<b>Rollover</b> 6 A test that rotates the battery simulating a vehicle rollover accident	<b>Overcharge</b> 7 A test that charges with high current	<b>Short Circuit</b> 8 A test that brings the positive (+) and negative (-) terminals into contact	<b>High Temperature</b> 9 A test that exposes the product to high heat for an extended period	<b>Thermal Shock</b> 10 A test that evaluates resistance to rapid temperature changes

### Development of Safety-Enhanced Materials

Samsung SDI is strengthening safety to address key requirements from customers and consumers. We are developing and planning to apply surface coating technology to active materials that prevents side reactions while maintaining battery performance. In addition, we are developing separators with reduced shrinkage by using materials with excellent heat resistance. Through these materials and technologies, we will continue to enhance safety.

### Thermal Propagation Prevention Technology

Battery packs, which serve as the main power source for electric vehicles, consist of at least 100 battery cells. If a single cell is damaged due to stress or misuse, thermal runaway may occur, generating high heat and large amounts of flammable gas in a short period of time. When the resulting flames and high-temperature gases propagate to adjacent cells, a chain reaction of thermal runaway can occur across the entire battery pack, potentially leading to fires or explosions. Accordingly, automotive and battery manufacturers are focusing on developing technologies to prevent thermal propagation within batteries.

Samsung SDI is actively responding to evolving market safety requirements by developing thermal propagation prevention technologies, aiming to enhance safety awareness for electric vehicles and alleviate concerns over potential fires. In 2025, we have secured and are applying technologies that prevent thermal propagation across cell, module, and pack levels. In addition, we collaborate with automotive manufacturers from the early stages of product development by sharing related technologies to ensure product safety. We also operate a Thermal Propagation Prevention Council composed of experts across cells, modules, and battery packs to identify, validate, and apply optimal technologies for each product category. From the initial development stage, we analyze the characteristics of cells based on their chemical composition and predict thermal propagation behavior by considering key design factors of modules and packs. We continue to enhance these capabilities by developing dedicated programs to improve prediction accuracy.

### Securing Future Battery Technology

All Solid battery technology enables both high energy density and enhanced safety, driving demand not only in the automotive sector but also in the Physical AI field, where frequent human interaction requires higher safety standards. In particular, the application of solid electrolytes provides superior electrochemical and thermal safety, offering a differentiated solution that overcomes the safety limitations of conventional lithium-ion batteries.

Samsung SDI is further strengthening safety by developing and applying high heat-resistant components and establishing dedicated safety evaluation standards for All Solid batteries. We are also conducting limit tests to secure sufficient safety margins. Based on these efforts, we aim to develop products that customers can use with confidence and plan to apply them to the Physical AI field starting in the second half of 2027. We will gradually expand applications to the automotive sector going forward.

### Enhancing Global Process Safety, Quality, and Q-Gate Standards

Samsung SDI strengthens safety, quality, and Q-Gate functions across battery manufacturing processes by leveraging a quality management system. We verify that incoming components, manage partners, and validate 4M (Man, Machine, Material, Method) change risks at the line and plant levels before granting mass production approval. Final shipments are made after confirming compliance with product specifications, and quality assurance processes are standardized across production sites to ensure consistent quality. We continue to stabilize mass production quality and ensure shipment quality using this system. As representative examples, we enhanced inspection criteria through AI vision learning based on defect images and strengthened defect detection by applying the electrode Grade System at overseas sites. Through these efforts, Samsung SDI will continue to strengthen initial mass production quality.

# Strengthening Customer Safety and Product Responsibility

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## Next-Generation Battery Solutions for ESS

Samsung SDI continues to develop next-generation ESS battery solutions that deliver both high efficiency and enhanced safety as part of its strategic efforts to target the North American market. To respond to the long-term growth in ESS demand in the region, we are building a next-generation ESS product portfolio that ensures reliability even under high-power and high-performance operating conditions.

Samsung SDI has launched the next-generation power ESS solution, “SBB 1.7,” equipped with high-nickel NCA battery cells. SBB 1.7 improves energy density by 16.7% compared to previous models, enabling a 20ft standard container to store up to 6MWh of energy, significantly enhancing energy efficiency per installation footprint. For safety, it applies Samsung SDI’s proprietary EDI (Enhanced Direct Injection) technology, which effectively prevents fire propagation in the event of thermal runaway and strengthens overall system safety. Its fire safety has been verified through Large Scale Fire Tests (LSFT), and it is recognized as a high-performance ESS solution suitable for the North American power market.

In addition, we introduced the LFP-based ESS solution “SBB 2.0,” which enhances both safety and cost efficiency. As Samsung SDI’s first product to adopt prismatic LFP cells, it offers improved structural stability and reduces fire and thermal risks during ESS operation. This strengthens our competitiveness in the U.S. grid stabilization and renewable energy-linked ESS market.

The UPS battery system “U8A1,” developed for data centers and industrial infrastructure, features a high-power design supporting over 260kW output per rack and improves space utilization by approximately 30%, delivering high energy efficiency in high-density data center environments. Its technological excellence has been recognized with innovation awards at global exhibitions such as CES, positioning it as a leading solution in the next-generation UPS market. Samsung SDI will continue to contribute to building a sustainable energy ecosystem based on high-efficiency, low-carbon, and high-safety ESS technologies.

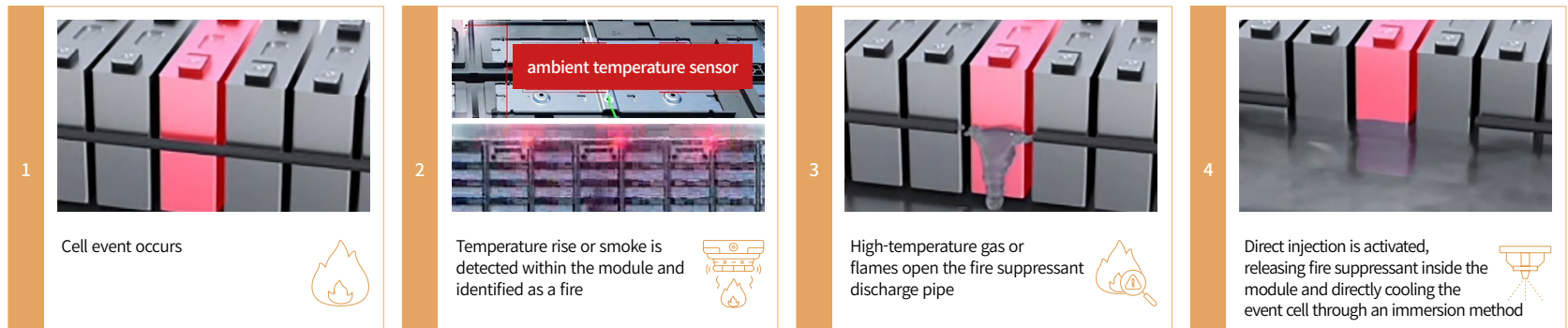
## Application of Immersion-Type Direct Injection Fire Suppression System for ESS

Energy Storage Systems (ESS) are installed in units of at least one container, each containing approximately 9,000 battery cells and storing energy at the megawatt-hour (MWh) level. Due to this high energy density, system misuse or cell malfunction can generate temperatures exceeding 500°C and large volumes of flammable gas, potentially leading to fires and total system loss. To prevent such incidents at an early stage, Samsung SDI applies technologies that rapidly detect events, expel flammable gas to prevent explosions, and immediately cool the affected cell to minimize combustion duration.

When an event occurs, the system detects it within 10 seconds through two methods: monitoring voltage and temperature via the Battery Management System (BMS) within the module, or detecting gas through internal gas detector within the SBB. Once a fire is detected, a direct injection kit charged with NOVEC fire suppressant is activated. The internal discharge pipe melts and releases the suppressant inside the module within 20 seconds, continuing for approximately 10 minutes. This immersion-type mechanism rapidly cools the affected cell and suppresses the fire. In addition, flammable gases generated in the early stage of an event are discharged outside the container through an Active Venting and Deflagration Panel system, eliminating explosion risks and enhancing overall fire safety.

Samsung SDI also plans to apply an advanced remote monitoring system to detect abnormal cells in advance, improving detection rates while meeting regional cybersecurity requirements. Through these efforts, we aim to proactively eliminate potential risks and develop safer ESS solutions.

### ESS Direct Injection Fire Suppression System Mechanism



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## CSR Management Framework

### CSR Strategy

Under the vision of “Go together for the future! Enabling People,” Samsung SDI operates various youth education programs in collaboration with Samsung affiliates to strengthen the capabilities of future generations, ensuring that no adolescents are excluded from educational opportunities due to social polarization.

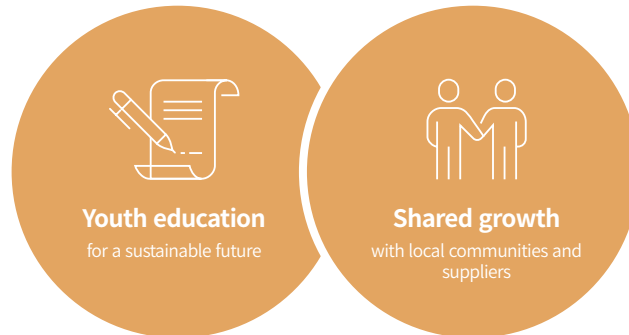
CSR Mission 

### CSR Vision and Key Themes

Vision

Go together for the future! Enabling People

Key Themes



## Education for the Young

### Samsung SW-AI Academy for Youth

Samsung SDI operates the Samsung SW-AI Academy for Youth (SSAFY) in collaboration with seven Samsung affiliates<sup>1)</sup> to enhance the job competitiveness of young people aspiring to become software developers. From 2018 to 2025, a cumulative total of approximately 11,000 trainees completed the program, and in 2025, graduates from Meister high schools were selected for the first time to expand access to educational opportunities. In addition, the program was upgraded to “SSAFY 2.0” in 2025, introducing eight new AI-focused training courses to nurture talent equipped with the capabilities required in the era of AI transformation.

1) Samsung SDI, Samsung Electronics, Samsung Display, Samsung Electro-Mechanics, Samsung SDS, S-1 Corporation, Cheil Worldwide Inc.

### Samsung Dream Class

Samsung SDI operates the “Samsung Dream Class” program, an education support initiative for middle school students with limited access to educational opportunities, in which university students, external experts, and employees participate as mentors. In 2025, a summer camp was held for students living in rural and island areas, where 640 middle school students participated in a four-day residential program to explore career paths and establish high school academic plans. In addition, eight Samsung affiliates jointly organized career experience programs, through which 411 students were provided with opportunities to further define their career directions.

### Samsung Stepping Stone of Hope

Samsung SDI operates the “Samsung Stepping Stone of Hope” program, based on voluntary donations and participation from employees, to provide housing and integrated self-reliance support services for youth preparing for independence (youth aging out of care). In 2023, the program was advanced to “Stepping Stone of Hope 2.0,” expanding its scope to include children and adolescents currently in care facilities and foster homes, while supporting early career exploration and the strengthening of self-reliance capabilities. In addition, with the opening of the Stepping Stone of Hope Incheon Center in 2025, Samsung SDI completed a nationwide housing support network that has continued to expand since the establishment of the Busan Center in 2010.

### Blue Elephant

Samsung SDI recognizes cyber violence among adolescents as a major social issue and participates in the “Blue Elephant” program focused on prevention-centered education and awareness enhancement. This program is carried out in collaboration with seven Samsung affiliates<sup>1)</sup>, the Blue Tree Foundation, and government and specialized institutions, with the aim of creating a safer digital environment for adolescents. By 2025, approximately 1.62 million participants had taken part in online and offline cyber violence prevention education, psychological counseling, and awareness improvement programs.

1) Samsung SDI, Samsung Electronics, Samsung Display, Samsung Electro-Mechanics, Samsung SDS, Samsung Biologics, Samsung Bioepis

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## Co-Prosperity Program

### Heart Bear Sharing Tree

Samsung SDI has supported the Heart Bear Sharing Tree program of the Heart-Heart Foundation for 13 years, from 2013 to 2025, providing approximately KRW 520 million in donations to support the rehabilitation and self-reliance of adolescents with developmental disabilities through arts and cultural education.

At Samsung SDI, the year-end season begins with the installation of 3-meter-tall sharing trees in the lobbies of six domestic worksites. Decorated with “Mini Heart Bear” ornaments symbolizing sharing, the Christmas trees create a warm holiday atmosphere. When employees purchase these ornaments, the company provides matching donations on a 1:1 basis to raise additional funds. The funds are used to support the rehabilitation and self-reliance of adolescents with developmental disabilities.

### Sharing Kiosk

Samsung SDI operates Sharing Kiosks installed at its worksites as an internal donation platform, where KRW 1,000 is automatically donated each time an employee ID card is tagged once. Since launching in 2022 at domestic sites (Giheung, Cheonan, Ulsan), the program has expanded to overseas sites (Malaysia, Hungary, Tianjin) and supports children from vulnerable groups in nearby communities.

Each month, children and adolescents in need near the worksites are selected, and their stories are shared through the kiosk. Employees can participate by tagging their ID cards to make donations. Approximately KRW 5 million is donated each month to support medical and educational expenses for children, contributing to local communities.



### Special Education Support by Tianjin Corporation (TSDI)

Samsung SDI’s Tianjin corporation (TSDI) supports the Tianjin School for the Visually Impaired, a special education school for children and adolescents with visual impairments. Through the 22nd Samsung Vision Scholarship Donation Celebration, TSDI provided special scholarships along with symbolic gifts, fulfilling its annual CSR commitment under the theme “Lighting Hope with Love.”

The principal of the school presented a certificate of appreciation, and students delivered performances—including music, recitation, and instrumental pieces—demonstrating their artistic talents and moving the audience. TSDI will continue to uphold its principle of “putting people first and contributing to society” and remain committed to supporting special education and building a hopeful future together with children.

### Hungary Corporation (SDIHU) Newborn Baby Program

Samsung SDI Hungary (SDIHU) operates the “Samsung SDI Newborn Baby Program” in the Göd area where its plant is located. This initiative supports local families with newborns by providing baby clothes and decorations prepared by employees. It also offers parents an opportunity to rest at a nearby café, helping relieve the burden of childcare. Through these efforts, SDIHU continues to strengthen its connection with the local community and remains committed to growing together with the region.



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## Board Composition and Operation Status

### Board Composition<sup>1)</sup> and Operation

Samsung SDI's Board of Directors is composed of directors appointed by the General Shareholder Meeting, and the Board resolves key matters related to the management of the Company.

Board Composition  Board Operation 

1) Board composition as of March 18, 2026

\* Reappointment: Independent Director Mee Kyung Lee was reappointed at the 56th Annual General Shareholder Meeting held on March 18, 2026

\* New appointments: Executive Director Jae-Kyun Oh and Independent Directors Jong-Won Yoon and Seung-Won Yoo were appointed at the 56th Annual General Shareholder Meeting held on March 18, 2026

\* Concurrent positions: To enhance the level of commitment of Independent Directors, concurrent service as a director, executive officer, or auditor of other companies is limited to no more than two positions in accordance with the Korean Commercial Act

\* Average Board tenure: 0.8 years as of March 18, 2026

#### Attendance in BOD Meetings Held in 2025 (%)

No. of BOD Meetings Held	Executive Director	Independent Director	Total
13	82%	100%	92%

## Board Independence, Expertise, and Diversity

### Ensuring Board Independence and Transparency

To secure the independence of the Board of Directors, the Board and the Independent Director Candidates Recommendation Committee review whether director candidates meet any disqualification criteria under relevant laws, including Article 382, Clause 3 and Article 542-8 of the Korean Commercial Act, and select only candidates without such disqualifications. Independent director candidates who satisfy the independence requirements are appointed upon approval at the General Shareholder Meeting.

To ensure the Board can effectively oversee management and provide objective and reasonable decision-making, more than half of the Board members (three or more directors) are composed of Independent Directors.

In addition, to prevent potential conflicts of interest and maintain independence from management and controlling shareholders, transactions between directors and the Company are restricted in accordance with Article 398 of the Korean Commercial Act. Under Article 10, Clause 2 of the Board's Rules of Operation, directors with a special interest in a specific agenda item are restricted from exercising voting rights on that item.

Board Composition Policy 

### Appointment of a Senior Independent Director

To prevent excessive concentration of authority and strengthen checks and balances when the Chair of the Board is an Executive Director, and to meet growing external expectations regarding the substantial independence of Independent Directors and ESG management, Samsung SDI introduced the Senior Independent Director system in 2023.

### Improving the diversity of the Board

Samsung SDI appoints Independent Directors with extensive knowledge and experience in areas such as management & economy, law, electronic engineering, risk management, and ESG strategy to support decision-making based on diverse expertise, while ensuring they meet the qualification requirements stipulated in applicable laws and the Articles of Incorporation. We also strive to strengthen Board diversity to support balanced decision-making. In selecting director candidates, we consider various factors such as gender, race, religion, ethnicity, nationality, and cultural background to avoid overrepresentation from any specific background or field. In particular, priority is given to candidates who can objectively reflect the perspectives of diverse stakeholders. Our Board diversity policy is formally disclosed in the Sustainability Report and Corporate Governance Report.

#### Board Skills Matrix

Category	Joo-Sun Choi	Jae-Kyun Oh	Jong-Won Yoon	Mee -Kyung Lee	Seung-Won Yoo
<b>Leadership</b>	●	●	●	●	●
<b>Risk Management</b>	●	●	●	●	●
<b>ESG</b>	●	●	●	●	●
<b>Finance</b>	●	●	●	●	●
<b>Engineering</b>	●				
<b>Public Policy</b>			●		

\* ● : Highest level of expertise, ● : Expertise

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## Process for Appointing Directors

### Criteria and Procedure for Appointing Independent Directors

At Samsung SDI, independence and expertise are the key criteria for appointing Independent Directors. The Independent Director Candidates Recommendation Committee identifies candidates who are independent from the Company and possess professional capabilities in accordance with the Korean Commercial Act and related regulations. In the selection process, candidates are comprehensively evaluated based on their qualifications, career experience, expertise, and independence to ensure they can meaningfully contribute to the Board. Recommended candidates are formally appointed upon approval at the General Shareholder Meeting. Through this systematic appointment process, Samsung SDI continues to strengthen the transparency and objectivity of the Board.

#### Process for Appointing Independent Directors

1	<b>Independent Director Candidates Recommendation Committee</b>	Searches for and selects candidates for independent directorship based on their expertise, independence, diversity, and ethical standards.
2	<b>General Shareholder Meeting</b>	Appoints independent directors with the approval of a majority of voting rights of shareholders present, representing at least one-quarter of total issued shares.
3	<b>Board of Directors</b>	Delegates duties to the newly appointed independent directors and appoints them to relevant committees.
4	<b>Disclosure</b>	Discloses the appointment of independent directors.

## Enhancing and Supporting the Capabilities of Independent Directors

### Improving the Expertise of the Board

Samsung SDI supports Independent Directors in effectively fulfilling their management and oversight responsibilities by providing agenda materials for Board and committee meetings in advance, allowing sufficient time for review.

In addition, we regularly share quarterly business performance and outlook updates with Independent Directors and proactively respond to requests for information related to management decision-making. We also operate various training programs to enhance their understanding of our business and strengthen the expertise required for Board activities.

In 2025, to further strengthen the expertise of Independent Directors, we provided introductions to business operations at domestic worksites, conducted production line tours, and held briefing sessions on the 2025 amendments to the Korean Commercial Act.

#### Training Provided to Independent Directors

Training Date	May 9, 2025	Sep 26, 2025
<b>Training Topic</b>	Introduction to the Ulsan worksite and the Automotive & ESS Battery Business, and tour of the Battery Building 2 production line	Briefing on the 2025 amendments to the Korean Commercial Act
<b>Participants</b>	Oh Kyong Kwon, Duk Hyun Kim, Mee Kyung Lee	Oh Kyong Kwon, Duk Hyun Kim, Won Wook Choi, Mee Kyung Lee

## Board Evaluation and Remuneration

### Board Remuneration

The limit on director remuneration at Samsung SDI is finalized through a resolution at the General Shareholder Meeting after the Compensation Committee reviews its appropriateness in accordance with Article 388 of the Korean Commercial Act. Remuneration for each director is determined within the approved limit by considering assigned responsibilities and the results of delegated duties. Remuneration for Executive Directors consists of a position-specific base salary and performance-based compensation. Performance-based compensation is determined through a comprehensive evaluation of financial indicators such as sales, net income, and stock price, as well as non-financial environmental and social indicators including safety, labor relations, insolvency, corruption, security, and compliance. Remuneration for Independent Directors consists of base pay, welfare benefits, and various expenses required to perform their duties. To ensure independence in decision-making, Samsung SDI does not link Independent Director compensation to performance evaluation results. Instead, compensation is determined at an appropriate level by comprehensively considering industry compensation standards, responsibilities and risks associated with the role, and time commitment.

[Remuneration Provided to the Board of Directors in 2025](#)

### Independent Director Appraisal

Samsung SDI conducts regular annual performance evaluations of Independent Directors. The evaluations are carried out fairly in accordance with internal criteria that include both quantitative and qualitative indicators, and the results are used as an important reference in decisions regarding the reappointment of Independent Directors. Through this process, we continue to strengthen the expertise and accountability of the Board and enhance the transparency and soundness of our corporate governance.

#### Independent Director Appraisal System

Quantitative Indicator	Qualitative Indicator
BOD meeting attendance, number of deliberations made on agenda items, activities at the associated subcommittees	Expertise and understanding of Samsung SDI's business

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## BOD Subcommittees

### Operation of BOD Subcommittees

To ensure the Board of Directors efficiently and professionally fulfills its responsibilities and roles, Samsung SDI operates six committees under the Board: the Management Committee, Audit Committee, Related Party Transactions Committee, Independent Director Candidates Recommendation Committee, Compensation Committee, and Sustainability Management Committee. Since 2023, to support objective and transparent decision-making, all five committees excluding the Management Committee have been composed entirely of Independent Directors.

[Committee Activity](#)

### Board Subcommittee Composition (as of March 2026)

<b>Management Committee</b>	2 Executive Directors	Deliberate and decide on matters delegated by the Board and other key management matters
<b>Audit Committee</b>	3 Independent Directors	Conduct audits on the Company's accounting and business operations
<b>Related Party Transactions Committee</b>	3 Independent Directors	Establish a fair trade compliance system and review related party transactions among affiliates
<b>Compensation Committee</b>	3 Independent Directors	Deliberate and decide on the remuneration limits, annual salaries, and one-time compensation for registered directors
<b>Independent Director Candidates Recommendation Committee</b>	3 Independent Directors	Recommend Independent Director candidates
<b>Sustainability Management Committee</b>	3 Independent Directors	Promote sustainability management and enhance shareholder value

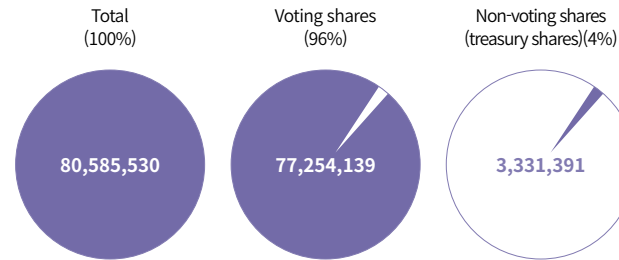
## Shareholder Status and Composition

As of the end of 2025, Samsung SDI had 80,585,530 common shares and 1,617,896 preferred shares issued and outstanding. Of these, 77,254,139 shares carry voting rights, excluding 3,331,391 treasury common shares and 1,617,896 preferred shares held by the Company.

All shareholders are granted voting rights fairly in accordance with the type and number of shares they hold. Based on common shares, the largest shareholder and related parties hold a 20.21% stake, and the National Pension Service holds more than 5% of the shares.

Meanwhile, on March 14, 2025, the Company resolved at an extraordinary Board meeting to issue 11,821,000 new common shares through a rights offering with a general public subscription for unsubscribed shares. The securities issuance was completed on May 31, 2025, and the additional listing was completed on June 13. Reflecting this issuance, the total number of issued shares is 80,585,530 common shares and 1,617,896 preferred shares.

### Total Number of Shares (Common Shares, as of December 31, 2025)



[Ownership Structure](#)

## Shareholder Return Policy

To enhance transparency and communication regarding shareholder return, Samsung SDI announced its shareholder return policy for 2025–2027 in January 2025.

[Shareholder Return Policy](#)

## Enhancing Shareholder Communication

### IR Activities

Samsung SDI provides quarterly earnings conferences based on tentative operating results through webcasts in both Korean and English, enabling all stakeholders, including shareholders and investors, to participate. In addition, we actively conduct IR activities for domestic and global investors and disclose related materials on our website.

To support foreign shareholders, we operate an English-language website that provides information on our financial position, credit ratings, earnings presentation materials, annual audit reports, sustainability reports, and English materials related to the General Shareholder Meeting. In addition, we maintain open communication channels through our official IR phone number and email address to respond to shareholder inquiries. For General Shareholder Meetings and earnings conferences, we also operate a pre-submission process that allows shareholders to submit questions in advance of the events.

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## Risk Management System

### Risk Management Governance

Samsung SDI comprehensively manages a wide range of risks that may arise in the business environment—including business, financial, and environmental safety risks—centered on the Board of Directors, which also makes key management decisions. To enhance the efficiency and objectivity of risk management, we operate dedicated risk management organizations that are structurally independent from business units. These organizations continuously monitor risks, while the Audit Committee oversees and manages conflicts of interest and risk audits.

Risks related to material topics identified through the annual materiality assessment are regularly reviewed by the Sustainability Management Council, which establishes and implements response measures. As our core business has shifted toward large-scale project orders and long-term supply structures, Samsung SDI established a dedicated RM (Risk Management) Team in 2022 to systematically manage project-related risks. In addition, we strengthened our management system by establishing an emergency contact framework that enables prompt reporting to the relevant committees during emergency situations.

Furthermore, we are fostering a company-wide risk management culture by building consensus among all employees regarding key risks and enabling them to proactively identify and respond to risks within their respective work environments. Risk-related factors such as product safety and quality, workplace accidents, and compliance are included in the performance evaluation criteria for executives and managers, and the results are reflected in compensation.

In addition, to manage ESG risks across the supply chain, Samsung SDI conducts ESG due diligence on partners. We have also established a system that allows employees to immediately report potential hazards to help create a safe working environment. For compliance risks, the CPMS (Compliance Program Management System) supports employees in independently accessing risk prevention information and reporting work-related compliance risks.

Risk Management Framework 

### Risk Management Process

Samsung SDI operates a systematic risk management process to effectively respond to uncertainties in the business environment. We define and comprehensively manage a wide range of risks that may affect our business and management activities from a company-wide perspective. For identified risks, we assess their impact on the Company at least once a year and establish risk priorities based on the assessment results. In particular, for high-priority core risks, we develop specific response strategies and implement them systematically, while regularly monitoring implementation status to enhance the effectiveness of risk management.

Risk Management Process 

### Risk Prioritization and Assessment Matrix

Risk Type	Description	Likelihood <sup>1)</sup>	Impact <sup>2)</sup>
Supply Chain	Supply instability and price volatility of key raw materials (lithium, cobalt, nickel, etc.)	High	High
Technology	Uncertainty in the pace of battery technology development	Mid	High
Environmental/ Climate	Increased production costs due to stricter environmental regulations and carbon neutrality policy	Mid	Mid
Human Rights	Reputational risk stemming from workplace harassment, discrimination, or other human rights issues; occupational health and safety risks	Low	Mid

1) High: Likelihood of occurrence within 1 year  
Mid: Likelihood of occurrence within 2–5 years  
Low: Likelihood of occurrence within 5–10 years

2) High: Degree of significant impact  
Mid: Degree of impact that exists but is not severe or significant  
Low: Degree of little or negligible impact

### Response Strategies for Key Risks

#### Supply Chain Risk



#### Technology Risk



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## Managing Potential Risks

Samsung SDI systematically manages potential risks to proactively respond to uncertainties in the business environment. We identify potential risk factors that may have a significant impact on business operations across various areas, including technology, economy, environment, and society, and minimize the likelihood of risk occurrence through regular monitoring.

### Potential Risk 1. Next-generation Battery Technology Paradigm Shift Risk

<b>Risk Description</b>	<ul style="list-style-type: none"> <li>Risk that the competitiveness of current lithium-ion battery technologies may weaken if next-generation battery technologies such as All Solid batteries and lithium-sulfur batteries are commercialized early by competitors or startups</li> <li>Rapid shifts in technology paradigms may occur at unpredictable times, and delayed responses could lead to weakened market competitiveness</li> </ul>
<b>Impact Analysis</b>	<ul style="list-style-type: none"> <li>Delays in securing next-generation technologies may reduce the utilization of existing lithium-ion battery production facilities and supply chain infrastructure, potentially resulting in financial burdens</li> <li>If competitors take the lead in next-generation battery technologies, changes in customer demand may lead to decreased sales and lower market share</li> </ul>
<b>Response Strategy</b>	<ul style="list-style-type: none"> <li>Expand R&amp;D investment and establish technology validation systems, including pilot line operations, to secure commercialization technologies for next-generation batteries such as All Solid batteries</li> <li>Promote next-generation battery technology development based on a mid- to long-term technology roadmap and strengthen R&amp;D capabilities to secure core materials and process technologies</li> </ul>

### Potential Risk 2. Security Risk Related to AI-based Battery Management Systems (BMS)

<b>Risk Description</b>	<ul style="list-style-type: none"> <li>AI-integrated BMS contributes to performance optimization and improved management efficiency, but remains vulnerable to cyberattacks and data breaches</li> <li>Security threats may cause serious issues such as battery fires and system malfunctions, negatively affecting brand trust and customer satisfaction</li> </ul>
<b>Impact Analysis</b>	<ul style="list-style-type: none"> <li>Security incidents may increase recall and compensation costs and create financial burdens due to legal disputes and regulatory penalties</li> <li>Declining customer trust may lead to reduced sales and lower market share</li> <li>As this risk is directly related to consumer safety, incidents may result in negative corporate reputation</li> </ul>
<b>Response Strategy</b>	<ul style="list-style-type: none"> <li>Establish and operate a dedicated management system, including specialized personnel, to respond to security threats related to BMS</li> <li>Obtain 'Cyber Security Management System (CSMS) certification' for five global sites, including domestic operations</li> </ul>

## Risk Management Training and Campaigns

Samsung SDI operates systematic risk management training programs for executives, directors, and employees. Each year, we conduct practical case-based training on proactive risk response for Board members and employees at all levels. We also share updates on our crisis management systems and activities to strengthen the risk management culture across the organization.

### Risk Management Training Status

Category		Training Topic
Independent Directors	Technology	Introduction to the battery business and current technology/development status
	Compliance	Compliance cases and application to work
Employees	Supply Chain	Understanding laws related to subcontracting and shared growth cooperation
	Technology	Understanding laws related to trade secrets and technology

## Tax Risk Management

Samsung SDI's fundamental tax strategy is to faithfully fulfill its tax filing and payment obligations in all countries where it conducts business operations.

Tax Strategies 

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## Ethical Management Policy

### Ethical Management Principles

Samsung SDI publicly discloses its management principles through the ethical management website and the corporate website as part of its commitment to ethical management.

[Business Principles](#) 

## Ethical Management System

### Dedicated Ethics Organization

To ensure systematic implementation of ethical management, Samsung SDI operates the Audit Team under the direct leadership of the CEO. Through ongoing monitoring of ethics and anti-corruption issues, we strive to build a transparent corporate culture. Ethics and anti-corruption assessments, as well as compliance audits conducted at domestic and overseas sites, are regularly reported each year to the Audit Committee under the Board of Directors. At the 1st Audit Committee meeting held on February 2, 2026, the results of four operational audits and two domestic and overseas compliance audits conducted in 2025, along with the 2026 audit work plan, were reported.

#### Dedicated Ethics Organization



#### Audit Committee Reporting Details for 2026

Reporting Date
February 2, 2026
Reported Content
2025 Audit Results and 2026 Audit Work Plan

## Ethical Management Activities

### Ethics and Anti-Corruption Inspections and Monitoring

Samsung SDI operates a year-round ethics and anti-corruption monitoring system to prevent corruption related to partners. In 2025, violations were identified through these inspection activities, and disciplinary actions were taken against 26 employees.

[Ethics & Compliance Risk Monitoring](#) 

### Conducting Ethics Training

Samsung SDI provides anti-corruption training to all employees to establish and internalize an ethical corporate culture. The training is available both online and offline, with separate training periods operated systematically for domestic employees in November and overseas operations in December.

In addition, face-to-face anti-corruption training is conducted regularly for newly hired employees, including both experienced and entry-level employees, with a total of 24 sessions held in 2025. Since 2022, Samsung SDI has also operated a separate anti-corruption training program for employees assigned to overseas posts to strengthen compliance awareness.

### Ethics Whistleblowing System

Samsung SDI operates a range of internal and external whistleblowing programs to ensure the fair and prompt resolution of all corruption-related issues, including embezzlement, bribery, and unfair transactions. We have established an independently functioning 24/7 hotline accessible through various reporting channels, including the in-house ethical management system, external whistleblowing website, dedicated email, and phone.

Samsung SDI strictly upholds the principles of confidentiality and non-retaliation regarding whistleblowers and the contents of their reports. Any form of disadvantage or retaliatory action against whistleblowers is strictly prohibited, and violations are subject to severe measures under relevant regulations. In addition, in accordance with the principles of whistleblower protection and prohibition of retaliatory actions, we conduct regular inspections of whistleblowing data encryption twice a year.

A dedicated organization within the Audit Team operates a fair process covering report receipt, fact-finding investigations, and result determination. During ethics training sessions, we also provide education on the whistleblowing system and protection measures to enhance awareness of the ethics reporting system.

#### Types of Reportable Misconduct

<p>Receiving money, gifts, or entertainment; financial transactions</p> 	<p>Embezzlement, theft, or pursuit of personal gain using company resources</p> 	<p>Leakage of company information or human resources</p> 
<p>Favoritism toward business partners or personal investment in partner companies</p> 	<p>Dual employment, side jobs, or gambling</p> 	<p>Other cases (e.g., misconduct, negligence, violation of internal accounting control regulations)</p> 

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## Compliance Management Policy

### Compliance Policy

In accordance with the Commercial Act, Samsung SDI has established and operates the Compliance Policy, the highest-level regulation that sets forth the fundamental procedures and requirements to be observed by employees in the course of performing their duties. Based on this policy, we have also established and implemented the Code of Conduct, which provides employees with guidelines and standards to be followed in carrying out their work.

[Compliance Control Regulations](#)  [Code of Conduct](#) 

### Anti-Corruption and Anti-Bribery Policy

Samsung SDI clearly defines the obligation to comply with laws, including anti-corruption requirements, through its Compliance Policy and Code of Conduct. Accordingly, corrupt practices such as improper solicitation and bribery are strictly prohibited in all business activities. This policy applies to all employees, and violations may result in disciplinary action in accordance with internal regulations.

### Anti-Corruption Guidelines

To prevent legal compliance risks, Samsung SDI operates detailed Compliance Guidelines covering business areas closely related to our operations, including trade secrets, subcontracting, fair trade, anti-corruption, and personal Information protection. Each guideline includes legal compliance requirements and precautions to be observed during daily operations.

In particular, the Anti-Corruption Guidelines clearly define behavioral standards regarding bribery prohibition, the provision of gifts, entertainment, travel expenses, and ceremonial money, as well as precautions related to agents and joint ventures. The Improper Solicitation and Graft Act Guidelines explain key provisions of Korea's anti-graft law, including operational precautions and case examples related to the Act.

## Compliance Management System

### Dedicated Compliance Organization

Samsung SDI operates the Compliance Team under the direct supervision of the CEO to support compliance management. The Compliance Officer, appointed by the Board of Directors, oversees the Compliance Team and attends Board and subcommittee meetings to support key corporate decision-making. In addition, Samsung SDI appoints Compliance Managers at the department head level and TCMS(Team Compliance Managers) at the working level to establish department-level compliance organizations, thereby promoting and expanding a field-driven autonomous compliance culture. Compliance Managers encourage department members to participate in compliance activities, including compliance with systems and guidelines, participation in compliance training, and conducting compliance checks, based on a strong sense of ownership regarding compliance management within their departments. TCMS support Compliance Managers and carry out frontline compliance activities, including theme-based self-checks at the team level.

### Compliance System

Samsung SDI operates the CPMS(Compliance Program Management System) to support compliance activities. In addition, we operate a technical data request system to protect the technical data of our partners and prevent violations of laws related to technical data under the Subcontracting Act and the Act on the promotion of Mutually Beneficial Cooperation between large enterprises and small and medium enterprises.

[Compliance System\(CPMS\)](#) 

### ISO 37001/37301 Certification

To proactively establish a compliance management system that meets the expectations of stakeholders, including customers in project-based businesses, based on enhanced transparency and reliability, Samsung SDI obtained integrated certification for ISO 37001 (Anti-Bribery Management System) and ISO 37301 (Compliance Management System) in 2025.

[ISO 37001:ISO 37301](#) 

### Samsung Compliance Committee

#### [Purpose and Composition]

In 2020, Samsung launched the Samsung Compliance Committee to strengthen compliance monitoring and control functions across seven major affiliates<sup>1)</sup> and to uphold its core value of Righteousness Management. The Compliance Committee is an independent organization established outside Samsung SDI, with guaranteed independence and autonomy, and is responsible for reviewing and managing legal compliance risks at major affiliates, including Samsung SDI. The Compliance Committee consists of six external members, including the Chairperson, and one internal member. The external members are experts with extensive knowledge and experience in the field of compliance. Since 2024, the third-term Compliance Committee, chaired by Chan-Hee Lee, has focused on expanding a field-driven compliance culture and strengthening compliance management.

1) Samsung SDI, Samsung Electronics, Samsung Electro-Mechanics, Samsung SDS, Samsung C&T Corporation, Samsung Life Insurance, Samsung Fire & Marine Insurance

#### [Key Activities]

The Compliance Committee holds regular monthly meetings with compliance officers from affiliated companies and ad hoc meetings as needed. The Committee reviews external sponsorships and internal transactions, processes compliance violation reports through separate reporting channels (mail, email, and external organizations), and discloses annual reports, meeting records, and public statements on its website.

Additional activities include meetings with affiliate CEOs, compliance training for senior executives, compliance expert forums, and affiliate compliance workshops. The 2025 workshop, themed "Samsung Compliance in a Rapidly Changing Environment," addressed issues from external environment changes and explored responses to emerging compliance risks.

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## Compliance Management Activities

### Compliance Policy

Samsung SDI operates various compliance systems to prevent legal compliance risks. To prevent cartel-related risks within the industry, we maintain a 24/7 competitor contact reporting system.

Employees are required to submit pre- and post-reports when attending meetings, seminars, or exhibitions where contact with peer companies may occur.

In addition, Samsung SDI operates internal review committees by area to ensure integrated management of key compliance risks. The External Sponsorship Review Council conducts prior reviews of anti-corruption risks, and the quarterly review results are reported to the Audit Committee. Sponsorships exceeding a certain amount are subject to prior approval by the Samsung Compliance Committee and the Board of Directors. Furthermore, Samsung SDI operates an Internal Transactions Review Council to enhance internal transaction risk management processes and improve transparency in transactions among affiliates.

Samsung SDI also operates various evaluation and reward systems to encourage employees to practice compliance and establish a compliance-oriented corporate culture. Compliance indicators are included in executive performance evaluations, with detailed evaluation items covering compliance training and testing, dissemination of compliance messages, Self-assessment, and department-level theme-based compliance Self-assessment. Compliance-related indicators are also reflected in business division organizational evaluations linked to employee incentives, including compliance obligation fulfillment, adherence to compliance systems, and completion of compliance training. In addition, Samsung SDI presents the SDI Global Annual Awards directly through the CEO to employees and departments that contribute to the establishment and promotion of a compliance culture.

### Compliance Risk Assessment

Samsung SDI systematically identifies compliance risks each year by categorizing major regulatory violations, considering regulatory amendments, sanction status, and monitoring results from regulatory authorities. In 2025, eight key risk areas were designated: trade secrets, subcontracting, fair trade, anti-corruption, HR & labor relations, workplace safety and environment, personal information protection, and win-win partnership. These areas are managed through risk sensing activities, awareness campaigns, regular training, and compliance inspections.

In trade secrets—a critical compliance risk—Samsung SDI utilizes the CPGS (Compliance Guide Service), providing prior approval procedures for external presentations and keyword filtering for outgoing emails to protect confidential information. For subcontracting, fair trade, and win-win partnership, Samsung SDI operates additional systems including the competitor contact reporting system, CP pre-agreement, the Internal Transactions Review Council, and the technical data request system.

### Compliance Review and Monitoring

Samsung SDI conducts regular compliance Self-assessment and monitoring to proactively prevent and manage related risks. In 2025, intensive Self-assessment were carried out in key areas—trade secrets, subcontracting, and fair trade—with all training and improvement measures completed. For areas requiring continuous management, compliance review procedures are incorporated as mandatory steps in the decision-making process to prevent regulatory violations. Additionally, Compliance Managers and TCMs (Team Compliance Managers) conduct voluntary theme-based inspections within each compliance organization, fostering an autonomous compliance culture in which departments independently identify and improve risks in day-to-day operations.

### Compliance Whistleblowing Channels

Samsung SDI operates a compliance whistleblowing system to promptly identify and prevent unlawful acts and risk factors. Whistleblowers may report all types of legal violations, including violations of fair trade laws, trade secret infringement, false and misleading advertising, anti-corruption laws, and labor laws. Reports can be submitted easily and conveniently through various channels, including the Compliance Program Management System (CPMS), company website, email, phone, and fax.

Samsung SDI strictly guarantees the confidentiality of all whistleblowers and reported content. Any form of disadvantage or retaliation against whistleblowers is strictly prohibited, and violations are subject to severe measures in accordance with relevant regulations.

#### Types of Reportable Violations

Violations of antitrust laws 	False and misleading advertising 	Violations of labor laws 
Infringement of trade secrets 	Violations of anti-corruption laws 	Other legal violations (e.g., Consumer Protection Act, Personal Information Protection Act) 

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## Compliance Management Training

Samsung SDI operates customized compliance training programs tailored to the characteristics of each department and employee to ensure company-wide compliance management and proactively prevent legal compliance risks.

In the online compliance training conducted for all employees in 2025, legal requirements and guidelines related to key compliance risks, including trade secrets and fair trade, were delivered through case studies and Q&A sessions. In particular, a presentation format featuring celebrities was utilized to enhance employee interest and understanding.

In addition, Samsung SDI provided business compliance training to promote shared growth with partners and strengthen their compliance management capabilities. We also regularly distribute English and Chinese training materials to overseas corporations to support and strengthen their autonomous compliance training capabilities.

Compliance Management Training History 

## Compliance Management Operations at Overseas Corporations

To help overseas corporations establish compliance management practices, the Compliance Team has established dedicated compliance organizations for overseas corporations and operates various tailored programs. To support autonomous compliance activities at overseas corporations, we provide English and Chinese training materials reflecting the latest regulatory updates.

In addition, all overseas corporations are required to establish their own sponsorship deliberation councils and maintain communication systems with headquarters to manage anti-corruption risks. We also receive monthly Compliance Monthly Reports to continuously monitor issues and pending matters at each overseas corporation.

In 2025, one-on-one exchange meetings were conducted with dedicated compliance personnel at overseas corporations to share the latest global compliance issues and provide corporation-specific support. On-site compliance consulting was also conducted for the Hungary corporation through in-person visits. In addition, Samsung SDI created and distributed card news content for overseas corporations to actively support local compliance activities.

## Compliance Communication

Samsung SDI carries out a variety of compliance communication activities to enhance compliance awareness among all employees. The CEO regularly communicates the company's commitment to compliance both internally and externally, while executives deliver compliance messages to their teams on a regular basis. The Compliance Team also provides employees with updates on compliance-related media coverage and trends in regulatory enactments and amendments.

In addition, the "SDI Compliance Letter," containing key compliance matters, is distributed quarterly to independent directors. In 2025, Samsung SDI conducted a commemorative acrostic poem event<sup>1)</sup> for Law Day to promote compliance awareness and foster a compliance culture. We also produced and distributed card news content<sup>2)</sup> six times to help employees easily understand compliance regulations and processes at a glance.

1) Acrostic poem event



2) Card news



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## Information Security and Personal Information Protection Policy

### Information Security Policy

Samsung SDI recognizes corporate management information, core technologies, and information related to customers, employees, and partners as important information assets, and has established and operates a company-wide information security policy to protect them safely.

[Information Security Policy](#)

### Personal Information Protection Policy

Samsung SDI has established and operates a systematic Personal Information protection policy to safeguard the valuable Personal Information of stakeholders.

[Privacy Policy](#)

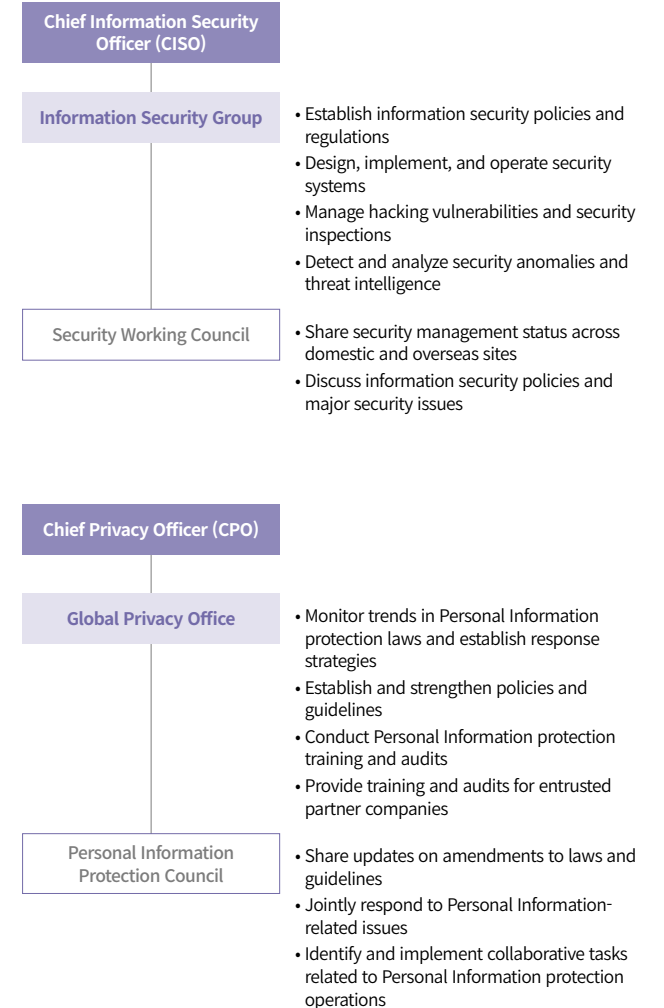
## Information Security and Personal Information Protection Governance

### Information Security Governance

Samsung SDI appoints a Chief Information Security Officer (CISO) in accordance with the Act on Promotion of Information and Communications Network Utilization and Information Protection to oversee the implementation of information security policies and the operation of the information security management system. In addition, in accordance with the Act on Prevention of Divulgence and Protection of Industrial Technology and the Special Act on Strengthening and Protecting the Competitiveness of National High-Tech Strategic Industries, Samsung SDI separately designates responsible managers to oversee the protection system for national core technologies and national high-tech strategic technologies. In addition, Samsung SDI operates a decision-making committee composed of executives, including the CISO, as well as a working-level council consisting of dedicated personnel at headquarters and security managers from domestic and overseas sites to share information and address related issues.

### Personal Information Protection Governance

To ensure systematic Personal Information protection, Samsung SDI has appointed the Head of the Legal Team as the Chief Privacy Officer (CPO). Through the Global Privacy Office, Samsung SDI oversees the full scope of Personal Information protection activities, including the establishment of privacy strategies and policies, process development and enhancement, legal response and support related to Personal Information, as well as privacy training and inspections. In addition, to strengthen efficient operations and close collaboration among the Global Privacy Office and related departments involved in Personal Information protection—including the Compliance Team, Information Security Group, and Information Strategy Group—Samsung SDI operates a quarterly Personal Information Protection Council.



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## Information Security and Personal Information Protection Risk Management

### Information Security Management System

Samsung SDI operates a multilayered security framework to prevent information security risks. Digital CCTV and IC card-based access control systems protect facilities and restrict unauthorized external access, while inspection systems safeguard core technologies including national core and high-tech strategic technologies.

Various IT systems protect technologies and information, including systems controlling external transmission of internal information and encryption/DRM systems to prevent leakage. External threats such as hacking are addressed through 24-hour security monitoring, and a disaster recovery system with annual simulation drills ensures business continuity.

Samsung SDI operates a top-down management system incorporating information security indicators into executive performance goals and reflecting security management performance in evaluations to strengthen accountability. We have also expanded TISAX information security certification and Cyber Security Management System(CSMS) certification to global sites to proactively meet EV industry and OEM requirements and enhance external trust.

### Personal Information Protection Management System

Samsung SDI's Global Privacy Office carries out a range of activities to ensure systematic Personal Information protection. First, we regularly review whether there are any changes in the categories of Personal Information collected by the Company and the entities to which Personal Information is provided. We also obtain consent from data subjects for the collection and use of Personal Information each year by reflecting any changes identified. In particular, for personally identifiable information considered highly sensitive, the Company undergoes regular inspections through government-led surveys conducted by the Personal Information Protection Commission in accordance with relevant laws.

In 2025, to proactively prevent increasingly frequent Personal Information leakage incidents, Samsung SDI conducted external consulting for key systems to inspect the implementation of security measures and improved the Personal Information breach response manual.

If incidents such as Personal Information infringement or leakage occur due to violations of Samsung SDI's Personal Information protection policies, disciplinary actions and other personnel measures may be taken against the violator in accordance with internal regulations depending on the severity of the incident. Such violations may also be subject to penalties under the Personal Information Protection Act and other applicable laws.

### Information Security Risk Response System

Samsung SDI has established an information security risk response system to proactively respond to information security risks and ensure business continuity.

[Information Security Risk Response Framework](#)

## Information Security and Personal Information Protection Awareness Activities

### Information Security and Personal Information Protection Trainings

Samsung SDI operates systematic education and training programs to enhance employee awareness of information security. Every year, information security training is provided to all employees and resident personnel from partner companies, and confidentiality agreements are collected. In addition, specialized training is conducted for personnel handling national core technologies and national high-tech strategic technologies to strengthen the protection of battery-related technologies.

Samsung SDI also conducts monthly simulated phishing email tests to prevent malware infections and related damage. Through internal broadcasts and information security newsletters, we continuously promote key security practices. In addition, internal and external reporting channels are operated to enable prompt response in the event of information leakage incidents.

Furthermore, Samsung SDI provides training at least once a year to employees responsible for Personal Information-related tasks. Training topics reflect internal and external issues, including enactments and amendments to Personal Information protection laws and guidelines, to enhance understanding of Personal Information protection.

[Information Security & Personal Information Protection Training](#)

### CASE

#### Obtaining CSMS Level 3 Certification

Samsung SDI obtained Level 3 certification for its Cyber Security Management System(CSMS) across five sites in Korea, Austria, Hungary, the United States, and Germany based on the automotive cybersecurity regulation UNR 155. The certification is valid for three years from June 12, 2025, and Samsung SDI plans to ensure stable maintenance and continuous improvement through ongoing surveillance audits and internalization efforts.



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# Financial Performance

FY25 As of December 31, 2025  
FY24 As of December 31, 2024  
FY23 As of December 31, 2023

## Consolidated Statement of Financial Position

Classification	Unit	FY25	FY24	FY23
<b>Assets</b>				
Current assets	KRW	8,739,928,568,764	10,334,312,926,481	9,187,029,193,265
Cash and cash equivalents	KRW	1,803,994,237,947	1,885,068,694,001	1,524,461,361,452
Trade and other receivables	KRW	3,078,592,799,490	4,042,229,664,106	3,402,869,054,756
Inventories	KRW	2,936,331,872,805	2,879,441,809,212	3,297,368,930,324
Other investment assets	KRW	196,799,603,715	159,615,476,074	602,098,500,787
Other current assets	KRW	724,210,054,807	325,079,862,652	353,200,051,577
Derivative assets	KRW	-	-	7,031,294,369
Assets held for sale	KRW	-	1,042,877,420,436	-
Non-current assets	KRW	33,515,410,012,155	30,263,031,609,876	24,851,830,999,702
Trade and other receivables	KRW	36,995,924,047	19,839,665,624	33,739,219,162
Investments in associates	KRW	11,426,802,223,137	10,186,550,232,177	9,996,233,432,914
Property, plant and equipment	KRW	19,240,618,782,149	17,706,530,246,443	11,893,348,076,900
Intangible assets	KRW	584,160,371,825	667,985,188,325	858,929,747,025
Investment property	KRW	128,050,715,159	128,236,338,852	147,320,485,846
Deferred tax assets	KRW	400,093,179,264	292,460,756,753	211,071,363,902
Other investment assets	KRW	1,370,375,605,217	981,102,541,708	1,364,181,992,958
Other non-current assets	KRW	126,028,208,223	152,458,477,217	93,180,478,798
Employee benefit assets	KRW	202,285,003,134	127,868,162,777	253,826,202,197
Total assets	KRW	42,255,338,580,919	40,597,344,536,357	34,038,860,192,967
<b>Liabilities</b>				
Current liabilities	KRW	9,794,852,795,190	10,855,694,147,360	8,518,933,137,070
Trade and other payables	KRW	3,365,153,219,878	3,402,471,287,258	4,538,845,024,180
Income tax payable	KRW	23,295,797,162	30,967,352,406	101,894,652,720

Classification	Unit	FY25	FY24	FY23
Advance received	KRW	369,412,536,455	576,856,502,758	607,331,856,215
Unearned revenue	KRW	250,914,093,748	32,593,554,465	18,823,553,350
Short-term borrowings	KRW	5,390,568,184,387	6,514,149,732,576	2,868,274,951,532
Provisions	KRW	395,508,963,560	105,934,720,182	383,763,099,073
Liabilities held for sale	KRW	-	192,720,997,715	-
Non-current liabilities	KRW	8,890,372,625,899	8,174,413,276,470	5,612,677,078,375
Trade and other payables	KRW	332,766,175,536	327,519,685,974	541,922,916,698
Long-term advance received	KRW	216,470,549,925	8,087,461,917	61,184,781,788
Long-term unearned revenue	KRW	213,444,951,242	202,344,441,363	-
Long-term borrowings	KRW	5,493,341,323,030	5,063,743,785,691	2,849,524,920,000
Employee benefit liabilities	KRW	2,508,353,957	2,828,164,751	2,276,046,885
Provisions	KRW	733,703,488,965	549,393,491,312	93,140,664,663
Deferred tax liabilities	KRW	1,898,137,783,244	2,020,496,245,462	2,064,627,748,341
Total liabilities	KRW	18,685,225,421,089	19,030,107,423,830	14,131,610,215,445
<b>Equity</b>				
Equity attributable to owners of the parent	KRW	21,442,873,795,141	19,766,394,890,484	18,511,373,378,175
Share capital	KRW	415,817,130,000	356,712,130,000	356,712,130,000
Capital surplus	KRW	6,588,959,892,570	5,001,974,693,202	5,001,974,693,202
Other capital components	KRW	(345,131,583,767)	(345,131,583,767)	(345,131,583,767)
Accumulated other comprehensive income	KRW	2,694,442,420,391	1,972,921,761,241	1,162,152,892,848
Retained earnings	KRW	12,088,785,935,947	12,779,917,889,808	12,335,665,245,892
Non-controlling interests	KRW	2,127,239,364,689	1,800,842,222,043	1,395,876,599,347
Total equity	KRW	23,570,113,159,830	21,567,237,112,527	19,907,249,977,522
Total liabilities and equity	KRW	42,255,338,580,919	40,597,344,536,357	34,038,860,192,967

## Consolidated Statements of Comprehensive Income

FY25 As of January 1–December 31, 2025  
FY24 As of January 1–December 31, 2024  
FY23 As of January 1–December 31, 2023

Classification	Unit	FY25	FY24	FY23
Revenue	KRW	13,266,730,679,499	16,592,248,884,388	21,436,788,407,451
Cost of sales	KRW	(11,804,981,379,541)	(13,498,684,888,608)	(17,654,581,105,996)
Gross profit	KRW	1,461,749,299,958	3,093,563,995,780	3,782,207,301,455
Other operating income	KRW	275,152,734,663	89,856,873,442	-
Selling and administrative expenses	KRW	(3,459,262,823,381)	(2,820,116,405,959)	(2,236,718,587,883)
Operating profit (loss)	KRW	(1,722,360,788,760)	363,304,463,263	1,545,488,713,572
Other income	KRW	57,793,441,873	46,717,133,867	65,023,686,846
Other expenses	KRW	(245,443,314,590)	(209,979,777,975)	(47,420,340,307)
Finance income	KRW	761,967,940,620	1,128,675,848,530	958,483,127,560
Finance expenses	KRW	(1,054,194,307,557)	(1,602,581,639,814)	(1,157,005,332,204)
Equity method gain	KRW	838,221,498,975	801,185,893,693	1,017,238,435,301
Profit (loss) before income tax	KRW	(1,364,015,529,439)	527,321,921,564	2,381,808,290,768
Income tax benefit (expense)	KRW	489,175,205,551	(6,860,315,248)	(403,148,715,526)
Profit (loss) from continuing operations	KRW	(874,840,323,888)	520,461,606,316	1,978,659,575,242
Profit from discontinued operations, net of tax	KRW	289,964,965,354	55,050,809,663	87,386,986,959
Net profit (loss)	KRW	(584,875,358,534)	575,512,415,979	2,066,046,562,201
Other comprehensive income	KRW	758,769,286,569	904,927,491,142	66,016,033,843
Items that will not be reclassified subsequently to profit or loss	KRW	622,184,006,486	(108,328,265,590)	(20,415,683,155)
Remeasurements of defined benefit plans	KRW	31,564,144,997	(119,691,017,789)	(99,099,458,346)
Gain (loss) on valuation of financial assets at FVOCI	KRW	370,929,055,000	(304,920,277,029)	88,659,820,165
Changes in equity method capital adjustments	KRW	480,309,169,300	277,424,976,310	(34,683,341,003)
Tax effect	KRW	(260,618,362,811)	38,858,052,918	24,707,296,029
Items that may be reclassified subsequently to profit or loss	KRW	136,585,280,083	1,013,255,756,732	86,431,716,998
Gain (loss) on valuation of derivatives	KRW	-	(7,031,294,370)	(23,111,865,796)
Changes in equity method capital adjustments	KRW	(18,023,730,721)	125,568,760,283	17,995,584,942
Foreign currency translation adjustments	KRW	142,850,627,520	932,365,506,573	90,240,991,087
Tax effect	KRW	11,758,383,284	(37,647,215,754)	1,307,006,765
Total comprehensive income	KRW	173,893,928,035	1,480,439,907,121	2,132,062,596,044

Classification	Unit	FY25	FY24	FY23
Attribution of profit (loss) from continuing operations	KRW	(874,840,323,888)	520,461,606,316	1,978,659,575,242
Equity attributable to owners of the parent	KRW	(939,433,622,909)	544,239,033,146	1,921,820,139,341
Non-controlling interests	KRW	64,593,299,021	(23,777,426,830)	56,839,435,901
Profit(loss), attributable to				
Owners of the parent	KRW	(649,468,657,555)	599,289,842,809	2,009,207,126,300
Non-controlling interests	KRW	64,593,299,021	(23,777,426,830)	56,839,435,901
Total comprehensive income attributable to				
Equity attributable to owners of the parent	KRW	97,333,315,089	1,321,966,122,109	2,094,600,653,447
Non-controlling interests	KRW	76,560,612,946	158,473,785,012	37,461,942,597
Earnings per share				
Basic earnings per common share	KRW	(8,796)	8,961	30,044
Basic earnings per common share from continuing operations	KRW	(12,723)	8,138	28,737
Basic earnings per common share from discontinued operations	KRW	3,927	823	1,307
Diluted earnings per common share	KRW	(8,796)	8,961	30,044
Diluted earnings per common share from continuing operations - Common shares	KRW	(12,723)	8,138	28,737
Diluted earnings per common share from discontinued operations - Common shares	KRW	3,927	823	1,307
Basic earnings per preferred share	KRW	(8,796)	9,011	30,094
Basic earnings per preferred share from continuing operations - Preferred shares	KRW	(12,723)	8,188	28,787
Basic earnings per preferred share from discontinued operations - Preferred shares	KRW	3,927	823	1,307
Diluted earnings per preferred share	KRW	(8,796)	9,011	30,094
Diluted earnings per preferred share from continuing operations - Preferred shares	KRW	(12,723)	8,188	28,787
Diluted earnings per preferred share from discontinued operations - Preferred shares	KRW	3,927	823	1,307

## Revenue by Business Division

Classification	Unit	FY25	FY24	FY23
Total	KRW 100 million	132,667	165,922	214,368
- Energy Solutions	KRW 100 million	123,841	156,912	204,061
- Electronic Materials	KRW 100 million	8,826	9,010	10,307

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## Economic Performance

### Corporate Income Tax Payment Status (Consolidated Basis)

Classification	Unit	2023	2024	2025
Profit before income tax	KRW 1 million	2,486,144	616,088	(923,905)
Income tax expense	KRW 1 million	420,097	40,575	(339,030)
Effective tax rate	%	16.90	6.59	-. <sup>1)</sup>
Corporate income tax paid <sup>2)</sup>	KRW 1 million	397,830	236,273	111,713
Tax payment ratio	%	16	38	-. <sup>1)</sup>

1) Not calculated due to loss

2) Corporate income tax paid as presented in the statement of cash flows

### Corporate Income Tax Payment Status by Corporation (2025)

(Unit: KRW bn)

Region	Site	Main Business	Revenue	Profit before income tax	Income tax payable	Income tax expense (benefit)
Korea	Samsung SDI Co., Ltd.	Manufacture and sale of secondary batteries and electronic materials products	11,875	(1,801)	0	(657)
	STM Co., Ltd.	Manufacture and sale of cathode active materials for secondary batteries	702	31	3	3
Japan	Samsung SDI Japan Co., Ltd.	Sales and purchasing support in Japan	8	1	0	0
United States	Samsung SDI America Inc.	Production and sales of automotive batteries and sales support for secondary batteries	254	(20)	1	(6)
	StarPlus Energy LLC.	Production and sales of automotive batteries	931	123	0	0
Hungary	Samsung SDI Hungary Zrt.	Production and sales of automotive batteries	4,951	(9)	0	23
Germany	Samsung SDI Europe GmbH	Sales and purchasing support in Europe	67	10	3	5
	Novald GmbH	Manufacture and sale of electronic materials products	67	23	3	7
Austria	Samsung SDI Battery Systems GmbH	Production and sales of automotive batteries	120	(5)	(1)	(6)
Vietnam	Samsung SDI Vietnam Co.,Ltd.	Production and sales of secondary batteries	1,252	43	5	6
Malaysia	Samsung SDI Energy Malaysia Sdn. Bhd.	Production and sales of secondary batteries	1,055	8	0	5

Region	Site	Main Business	Revenue	Profit before income tax	Income tax payable	Income tax expense (benefit)
India	Samsung SDI India Pvt.	Purchasing support for secondary batteries and other products	2	1	0	0
Hong Kong	Samsung SDI(Hong Kong)Ltd.	Sales of secondary batteries and other products	2	43	0	51
	Tianjin Samsung SDI Co., Ltd.	Production and sales of secondary batteries	532	16	3	5
China	Samsung SDI China Co., Ltd.	Sales and purchasing support in China	33	5	1	2
	Samsung SDI-ARN(Xi'An) Power Battery Co., Ltd.	Production and sales of automotive batteries	569	(3)	0	(1)
	Samsung SDI(Tianjin) Battery Co., Ltd.	Production and sales of secondary batteries	1,063	37	5	9
	Samsung SDI Wuxi Co., Ltd.	Manufacture and sale of electronic materials products	705	(3)	0	(1)

### Contribution Details<sup>1)</sup>

Classification	Unit	2025
Lobbyists/Lobbying organizations	KRW 1 million	0
Political campaigns/candidates	KRW 1 million	0
Associations or non-profit organization <sup>2)</sup>	KRW 1 million	1,918

1) Samsung SDI does not make political contributions in accordance with Article 31 of the Political Funds Act of Korea.

2) Major contributions in 2025

- Korea Battery Industry Association (KRW300 million)
- Korea Chamber of Commerce and Industry (KRW190 million)
- Korea Display Industry Association (KRW30 million)

※ Samsung SDI actively participates in public policy related to climate change response and operates a review and management system for activities related to relevant associations. We monitor the activities of major associations and assess their alignment with global climate policies such as the Paris Agreement. In cases where there are differences between Samsung SDI's policy positions and those of an association, we closely analyze the potential impact and review membership status subject to approval by the Sustainability Management Committee. This review process is operated under the responsibility of management, with ongoing oversight to ensure policies remain aligned with climate change response goals.

### Green Revenue<sup>1)</sup> Performance

Classification	Unit	2023	2024	2025
Green Revenue	KRW 100 million	204,061	156,912	123,841

1) Green revenue was calculated based on battery business revenue corresponding to environmentally sustainable economic activities under the EU Taxonomy. In 2025, the Battery Business (Energy Solution Business) accounted for 93.3% of total revenue.

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### Greenhouse Gas Emissions<sup>1)</sup>

Classification		Unit	2023	2024	2025
Total emissions (direct and indirect emissions, Scope 1+2) <sup>2)</sup>		tCO <sub>2</sub> e	1,345,532	1,129,164	1,048,485 <sup>3)</sup>
- Direct and indirect emissions intensity		tCO <sub>2</sub> e/ KRW 100 million	6	7	8
- Direct and indirect emissions	Direct emissions (Scope 1)	tCO <sub>2</sub> e	242,600	251,529	242,521
	Indirect emissions (Scope 2)	tCO <sub>2</sub> e	1,102,932	877,635	805,964
- By site	Domestic	tCO <sub>2</sub> e	548,089	513,014	500,249
	Subsidiaries	tCO <sub>2</sub> e	797,443	616,150	548,236
- By business division	Mobile & Power Battery Business	tCO <sub>2</sub> e	732,028	598,371	498,533
	Automotive & ESS Battery Business	tCO <sub>2</sub> e	479,262	392,308	406,671
	Electronic Materials Business	tCO <sub>2</sub> e	62,887	64,838	65,569
	R&D and others	tCO <sub>2</sub> e	71,355	73,647	77,712
Other indirect emissions (Scope 3)		tCO <sub>2</sub> e	2,208,938	2,051,175	1,906,390
- By category	Purchased goods and services	tCO <sub>2</sub> e	1,029,887	911,604	806,627
	Capital goods	tCO <sub>2</sub> e	10,723	14,895	15,199
	Fuel- and energy-related activities	tCO <sub>2</sub> e	225,015	220,980	203,317
	Upstream transportation and distribution	tCO <sub>2</sub> e	97,076	65,818	67,004
	Waste generated in operations	tCO <sub>2</sub> e	67,374	70,275	57,586
	Business travel	tCO <sub>2</sub> e	9,234	20,106	13,563
	Employee commuting	tCO <sub>2</sub> e	20,014	28,741	26,894
	Upstream leased assets	tCO <sub>2</sub> e	5,331	5,286	2,150
	Downstream transportation and distribution	tCO <sub>2</sub> e	14,378	7,265	6,345
	End-of-life treatment of sold products	tCO <sub>2</sub> e	161,156	137,494	120,423
Downstream leased assets	tCO <sub>2</sub> e	42	46	47	
Investments	tCO <sub>2</sub> e	568,709	568,666	587,235	

1) Emissions and revenue related to the polarizing film business in prior years were excluded following the transfer of the polarizing film business in the Electronic Materials Business.

2) Total emissions are presented on a market-based basis reflecting the transition to renewable energy. The 2025 location-based emissions were 1,568,025 tCO<sub>2</sub>e.

3) 2025 greenhouse gas emissions target: 1.1 million tCO<sub>2</sub>e

### Direct GHG Emissions Reduction<sup>1)</sup>

Classification	Unit	2023	2024	2025
Direct GHG emissions reduction	10,000 tCO <sub>2</sub> e	1.3	3.2	5.7

1) Excluding Cheongju and Wuxi, including Suwon.

### Energy Consumption<sup>1)</sup>

Classification		Unit	2023	2024	2025
Total energy consumption		TJ	31,856	31,272	28,991
- Energy intensity		TJ/KRW 100 million	0.1	0.2	0.2
- By energy source	LNG	TJ	4,588	4,816	4,567 <sup>2)</sup>
	Electricity	TJ	26,287	25,492	23,463 <sup>3)</sup>
	Heat (steam)	TJ	908	923	921
	Others	TJ	73	41	40
- By site	Domestic	TJ	11,648	11,012	10,585
	Subsidiaries	TJ	20,208	20,260	18,406

1) Historical performance related to the polarizing film business was excluded following the transfer of the polarizing film business in the Electronic Materials Business.

2) 2025 target for direct energy source (LNG) consumption: 5,196TJ

3) 2025 target for indirect energy source (electricity) consumption: 29,576TJ

### Renewable Energy Transition<sup>1)</sup>

Classification	Unit	2023	2024	2025
Renewable energy consumption	MWh	743,033	1,035,043	941,016
Renewable energy transition rate	%	27	39	38

1) Historical performance related to the polarizing film business was excluded following the transfer of the polarizing film business in the Electronic Materials Business.

### Adoption of Zero-Emission Vehicles

Classification	Unit	2023	2024	2025
Zero-emission vehicle transition rate	%	15	20	20

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### Eco-friendly Purchasing<sup>1)</sup> Performance

Classification	Unit	2023	2024	2025
Total usage rate of recycled metals <sup>2)</sup>	%	12	14	15

- 1) Eco-friendly purchasing is defined from a recycling perspective directly linked to Samsung SDI's business and refers to raw materials recycled from collected used and discarded resources.  
2) Cobalt, nickel, and lithium

### Waste Generation and Treatment

Classification		Unit	2023	2024	2025	
Total waste generated		ton	175,116	159,442	100,619	
- Waste generation intensity		ton/KRW 100 million	0.77	0.96	0.76	
Waste generation	- By region	Domestic	66,448	64,896	41,604	
		Overseas	108,668	94,546	59,014	
	- By type	General waste	84,850	83,446	41,813	
		Designated waste	90,266	75,996	58,806	
Waste treated		ton	175,166	159,442	100,619	
- General waste		ton	1,401	1,434	1,016	
└ Energy recovery incineration		ton	73	67	225	
└ Non-energy recovery incineration		ton	1,328	1,367	791	
- Landfill		ton	895	51	-	
Waste treatment	Recycling		80,107	81,817	40,797	
	Incineration		4,368	5,876	4,182	
	└ Energy recovery incineration		ton	-	-	
	└ Non-energy recovery incineration		ton	4,368	5,876	4,182
	- Designated waste	Landfill	ton	63	27	2
Recycling		ton	85,746	70,016	54,542	

### Waste Management Performance and Targets

Classification	Unit	2023	2024	2025 <sup>1)</sup>
Waste recycling rate <sup>2)</sup>	%	94.7	95.2	94.8 <sup>3)</sup>
- Domestic waste recycling rate	%	96.1	96.1	95.5
- Overseas waste recycling rate	%	93.9	94.7	94.3
Number of Platinum-certified sites	sites	9	12	10

- 1) Cheongju and Wuxi sites were excluded following the transfer of the polarizing film business in the Electronic Materials Business.  
2) Recycled volume / Total waste generated  
3) 2025 target: 95.5

### Water Withdrawal<sup>1)</sup>

Classification		Unit	2023	2024	2025
Total water withdrawal		ton	7,706,295	7,169,117	6,455,082
- Water withdrawal intensity		kiloton/KRW 100 million	0.04	0.04	0.05
- By region	Domestic	ton	2,369,561	2,358,693	2,037,204
	Overseas	ton	5,336,734	4,810,424	4,417,878
- By source	Industrial water		3,574,131	2,930,314	2,585,654
	Tap water		1,975,437	2,441,533	2,114,642
	Surface water		1,894,749	1,564,655	1,609,516
	Groundwater		261,978	232,615	145,270

- 1) Excluding Cheongju (polarizing film) and Wuxi, including Suwon and Cheongju (SOH).

### Detailed Water Withdrawal (as of 2025)

Classification		Unit	Industrial water	Tap water	Surface water	Ground water	Total
Total		m <sup>3</sup>	2,585,654	2,114,642	1,609,516	145,270	6,455,082
- Domestic	Headquarters and R&D Center	m <sup>3</sup>	0	342,074	0	0	342,074
	Manufacturing sites	m <sup>3</sup>	645,322	458,402	446,136	145,270	1,695,130
	Subtotal	m <sup>3</sup>	645,322	800,476	446,136	145,270	2,037,204
- Overseas	Total	m <sup>3</sup>	1,940,332	1,314,166	1,163,380	0	4,417,878

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### Water Resource Management Performance and Targets<sup>1)</sup>

Classification	Unit	2023	2024	2025 <sup>2)</sup>
Total water usage	10,000 tons	1,078	1,142	1,143
Water reuse volume	10,000 tons	306	425	498
Water reuse rate	%	28	37	44

1) Historical performance related to the polarizing film business was excluded following the transfer of the polarizing film business in the Electronic Materials Business.

2) 2025 targets: water reuse volume of 4.72 million tons and water reuse rate of 42%

### Effluent Discharge

Classification	Unit	2023	2024	2025	
Company-wide discharge volume	ton	3,100,480	3,326,676	2,118,570	
- Effluent discharge intensity	kiloton/KRW 100 million	0.01	0.02	0.02	
- By region					
	Domestic	ton	1,450,102	1,311,171	685,925
	Overseas	ton	1,650,378	2,015,505	1,432,645

### Air Pollutant Emissions

Classification	Unit	2023	2024	2025	
Air pollutants	NOx	kg	40,301	65,180	58,689
	SOx	kg	5,648	1,328	1,065
	PM	kg	45,828	48,770	41,706
	VOC <sup>1)</sup>	kg	76,826	36,585	21,180
Air pollutant emission intensity	NOx	kg/KRW 100 million	0.18	0.39	0.44
	SOx	kg/KRW 100 million	0.02	0.01	0.01
	PM	kg/KRW 100 million	0.20	0.29	0.31
	VOC	kg/KRW 100 million	0.34	0.22	0.16

1) Overseas corporations only

### Water Pollutant Emissions

Classification	Unit	2023	2024	2025	
Water pollutants	BOD	kg	6,467	7,520	11,028
	TOC <sup>1)</sup>	kg	7,836	7,433	1,884
	SS	kg	31,997	29,946	7,238
Water pollutant emission intensity	BOD	kg/KRW 100 million	0.03	0.05	0.08
	TOC	kg/KRW 100 million	0.03	0.04	0.01
	SS	kg/KRW 100 million	0.14	0.18	0.05

1) Domestic operations only

### Environmental Management Investment

Classification	Unit	2023	2024	2025
Plan	KRW 1 million	29,214	20,309	9,400
Actual	KRW 1 million	27,997	15,629	8,723

### Environmental Management System

Classification	Unit	2023	2024	2025	
Environmental management system-certified sites (ISO 14001)	Domestic	%	100	100	100
	Overseas <sup>1)</sup>	%	100	100	100

1) Excluding joint ventures (SPE)

### Violations of Environmental Regulations<sup>1)</sup>

Classification	Unit	2023	2024	2025
Number of environmental regulation violations	cases	0	0	0
Penalties and fines <sup>2)</sup>	KRW 1 million	0	0	0
Environmental-related provisions	KRW 1 million	0	0	0

1) Covers violations of environmental regulations related to water quality, air, waste, chemicals, and other environmental matters

2) Based on payments exceeding USD 10,000

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### Supply Chain Procurement Amount<sup>1)</sup>

Classification	Unit	2023	2024	2025
Total procurement amount	KRW 100 million	160,155	110,188	78,936
- Raw and subsidiary materials procurement amount	KRW 100 million	136,948	95,629	69,466
- Equipment procurement amount	KRW 100 million	20,543	11,354	7,147
- MRO procurement amount	KRW 100 million	2,664	3,205	2,323
Local procurement ratio of partners	%	39.6	44.1	49.3

1) Based on the Energy Solution Business

### Major Raw and Subsidiary Material Usage

Classification	Unit	2023	2024	2025
Active material usage	ton	185,116	151,027	124,611

### Third-party Audits of Cobalt Smelters & Refiners

Classification	Unit	2023	2024	2025
Reported smelters & refiners	companies	26	25	24
- Conformant	companies	25	23	21
- Active	companies	0	1	1
- Other third-party audits <sup>1)</sup>	companies	0	0	1

1) Other third-party audits refer to companies that underwent independent third-party assessments equivalent to the RMI RMAP audit program

### Partner ESG Due Diligence Results

Classification	Unit	2023	2024	2025
Total	companies	65	70	44
- Domestic	companies	41	20	14
- Overseas	companies	24	50	30

### Operation Results of Partner Grievance Handling Channels

Classification	Unit	2023	2024	2025
Partner grievance resolution rate	%	100	100	100

### Customer Satisfaction Scores

Classification	Unit	2023	2024	2025	
Mobile & Power Battery Business	Customer satisfaction score	score	83.1	84.0	87.8
	Number of companies surveyed	companies	11	16	10
	Number of customers surveyed	persons	12	22	10
Automotive & ESS Battery Business (xEV)	Customer satisfaction score	score	82.5	86.0	86.7
	Number of companies surveyed	companies	5	5	5
	Number of customers surveyed	persons	5	5	5
Automotive & ESS Battery Business (ESS)	Customer satisfaction score	score	67.0	69.5	82.5
	Number of companies surveyed	companies	4	5	5
	Number of customers surveyed	persons	4	5	5
Electronic Materials Business <sup>1)</sup>	Customer satisfaction score	score	81.9	79.8	75.8
	Number of companies surveyed	companies	27	22	22
	Number of customers surveyed	persons	59	55	58

1) Historical performance related to the polarizing film business was excluded following the transfer of the polarizing film business in the Electronic Materials Business.

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### Occupational Health and Safety Management System

Classification		Unit	2023	2024	2025
Sites subject to occupational health and safety risk audits	Domestic	%	100	100	100
	Overseas	%	100	100	100
Occupational health and safety management system-certified sites	Domestic	%	100	100	100
	Overseas	%	100	100	100

### National Technical Certifications in Occupational Health and Safety

Classification	Unit	2023	2024	2025
Ratio of employees holding engineer-level or higher certifications <sup>1)</sup>	%	58	65	67
Ratio of employees holding master craftsman-level or higher certifications <sup>2)</sup>	%	24	26	27

1) Recognized qualifications within the EHS Team (Professional Engineer Industrial Safety, Professional Engineer Industrial Hygiene Management, Professional Engineer Fire Protection Facilities, master craftsman certifications, and professional engineer licenses)

2) Recognized qualifications within the EHS Team (master craftsman certifications and professional engineer licenses)

### Hazardous Chemical Usage<sup>1)</sup>

Classification	Unit	2023	2024	2025
Hazardous chemical usage	ton	54,897	48,529	34,693

1) 2023-2024 figures have been corrected due to data entry errors at some worksites.

### Chemical Emissions<sup>1)</sup>

Classification	Unit	2023	2024	2025
Chemical emissions	kg	2,316	2,306	2,290

1) 2023-2024 figures have been corrected due to data entry errors at some worksites.

### Occupational Accidents Resulting in Industrial Injuries<sup>1)</sup>

Classification		Unit	2023	2024	2025
Employees	Injuries	cases	5	5	7
	Fatalities	persons	1	0	0
On-site partners	Injuries	cases	0	1	2
	Fatalities	persons	0	0	0

1) Covers Grade D or higher accidents (three or more lost workdays) involving employees and on-site partners(2025: six domestic employee cases, one overseas employee case, and two domestic on-site partner cases)

### LTIR<sup>1)</sup> (as of 2025)

Classification	Unit	2023	2024	2025
Company-wide employees	cases/200,000 working hours	0.026	0.019	0.022
- Domestic employees	cases/200,000 working hours	0.035	0.039	0.040
- Overseas employees	cases/200,000 working hours	0.021	0.005	0.006
On-site partners	cases/200,000 working hours	0.000	0.041	0.039
Employees + on-site partners	cases/200,000 working hours	0.024	0.022	0.025

1) Lost Time Injury Rate = (number of lost time injury cases ÷ total working hours) × 200,000  
- Refers to the probability of injuries resulting in one or more lost workdays per 200,000 working hours

### Company-wide Potential Risk Identification Performance<sup>1)</sup>

Classification	Unit	2023	2024	2025
Potential risks identified	cases	296,053	234,211	191,749
Potential risks identified per person	cases/persons	42	31	28

1) Based on manufacturing and engineering personnel

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### Workforce Overview<sup>1)</sup>

Classification		Unit	2023	2024	2025
Total		persons	31,704	30,664	26,098
By gender	Male	persons	24,234	23,243	19,517
	Female	persons	7,470	7,421	6,581
By region	Korea	persons	11,860	12,872	12,383
	Asia (excluding Korea)	persons	10,840	10,139	8,180
	Europe	persons	7,875	6,430	4,610
	Americas	persons	1,129	1,223	925
By age	Under 30	persons	11,353	9,901	7,380
	30 to under 50	persons	18,003	18,259	16,440
	50 and above	persons	2,348	2,504	2,278
By employment type	Regular employees	persons	26,377	26,889	23,269
	Contract employees	persons	1,439	1,553	1,062
	Dispatched workers <sup>2)</sup>	persons	3,888	2,222	1,767
By nationality	Korea	persons	12,306	13,256	12,682
	China	persons	6,206	5,617	3,818
	Malaysia	persons	2,557	2,460	2,127
	Vietnam	persons	1,487	1,573	1,958
	United States	persons	1,066	1,129	844
	Others	persons	8,082	6,629	4,669

1) Workforce data is based on the number of employees as of December 31 each year to reflect actual employment status during the reporting period. The 2025 data reflects workforce changes resulting from the sale of the polarizing film business, while the 2023-2024 data includes employees from the relevant business division, as employment relationships with the Company were maintained during those periods.

2) Major positions for dispatched workers in Korea include executive assistants and interpreters, while dispatched workers at overseas corporations perform manufacturing, packaging inspection, and related tasks.

### Turnover Rate<sup>1)</sup>

Classification		Unit	2023	2024	2025	
Total turnover rate		%	9.9	12.6	16.8	
Domestic / Overseas	Domestic	%	2.5	2.5	3.8	
	Overseas	%	15.3	21.1	31.0	
By gender	Domestic	Male	%	2.6	2.7	4.3
		Female	%	1.9	1.5	1.8
	Overseas	Male	%	14.4	19.4	30.2
		Female	%	17.4	25.3	32.7
By region	Asia	%	8.7	9.3	13.1	
	Europe	%	14.2	22.4	29.8	
	Americas	%	18.6	41.4	76.2	
By age	Domestic	Under 30	%	2.5	2.0	4.5
		30 to under 50	%	1.3	1.0	1.4
		50 and above	%	8.5	11.0	15.4
	Overseas	Under 30	%	19.0	28.5	44.2
		30 to under 50	%	13.1	16.8	23.2
		50 and above	%	11.5	23.7	45.2
Voluntary turnover rate		%	8.5	7.2	8.1	
Domestic / Overseas	Domestic	%	2.0	1.7	2.6	
	Overseas	%	13.3	11.9	14.0	

1) Annual number of employees leaving / annual average number of employees

※ Workforce data is based on the number of employees as of December 31 each year to reflect actual employment status during the reporting period. The 2025 data excludes employees transferred to the acquiring company following the sale of the polarizing film business.

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## SOCIAL

### Employee Grievance Handling Cases Received (Domestic)

Classification	Unit	2023	2024	2025	
Total cases received (online/offline)	cases	1,848	2,007	2,522	
Grievance handling rate	%	100	100	100	
Working environment	cases	1,074	1,207	1,687	
	%	58	60	67	
Employee benefits	cases	224	217	202	
	%	12	11	8	
By category	HR system	cases	301	342	354
	%	16	17	14	
Occupational health and safety	cases	29	53	49	
	%	2	3	2	
Others	cases	220	188	230	
	%	12	9	9	

### Employee Benefits

Classification	Unit	2023	2024	2025		
Employee benefits expenses	KRW 1 million	568,103	631,176	624,535		
Parental Leave	Employees taking parental leave	persons	322	297	348	
	- Male	Persons	persons	141	131	192
		Rate	%	12	9	14
	- Female	Persons	persons	181	166	156
		Rate	%	98	98	100
	Employees retained for at least 12 months after returning from parental leave	persons	225	202	210	
- Male	persons	102	95	93		
- Female	persons	123	107	117		

### Diversity, Equity & Inclusion

Classification	Unit	2023	2024	2025		
Employees with disabilities <sup>1)</sup>	persons	207	233	222		
Local Hiring	Number of overseas corporation managers <sup>2)</sup>	persons	332	328	241	
	Number of local managers	persons	196	180	144	
	Ratio of local managers	%	59.0	54.9	59.8	
By Job	STEM roles (R&D)	%	24.8	27.9	28.6	
	Manufacturing roles	%	30.5	30.9	28.5	
	Quality & EHS roles	%	32.5	31.4	24.6	
	Sales & marketing	%	33.7	34.9	36.2	
	Other roles	%	18.5	18.8	21.8	
	Women	By Region	Korea	%	17.2	19.0
Asia (excluding Korea)			%	31.0	32.0	34.9
Europe			%	21.1	20.0	20.8
Americas		%	31.5	31.1	30.2	
Staff-level employees		%	25.6	26.5	28.0	
By Position		Manager-level employees (Senior Professional and above)	%	14.3	15.1	15.8
	Executives (non-registered executives and above)	%	8.6	8.5	9.6	

1) Based on the number of employees reported to the Korea Employment Agency for Persons with Disabilities

2) Managers refer to leadership-level employees holding official positions such as Group Leader and Team Leader

### Remuneration<sup>1)</sup>

Classification	Unit	2023	2024	2025
Salaries	KRW 1 million	1,895,882	1,731,020	1,661,159
Retirement benefits	KRW 1 million	84,770	101,861	160,389

1) No gender-based differences are applied to remuneration, including base salary and related pay items

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## SOCIAL

### Organizational Culture

Classification	Unit	2023	2024	2025
Organizational culture assessment (SCI) score	points	77.1	77.4	74.7
Employee participation rate	%	90.0	91.1	88.5

### New Hires

Classification	Unit	2023	2024	2025
Number of hires	persons	5,041	3,844	2,144
By Gender	Male	3,863	2,412	1,110
	Female	1,178	1,432	1,034
By Region	Domestic	872	1,562	382
	Overseas	4,169	2,282	1,762

### Talent Development Training

Classification	Unit	2023	2024	2025
Total training expenses	KRW 100 million	161	212	126
Number of trainees <sup>1)</sup>	persons	126,934	113,419	105,833
Training hours per employee <sup>2) 3)</sup>	hour/person	86	91	52
Training expenses per employee <sup>2)</sup>	KRW/person	1,334,767	1,620,236	1,002,229

1) Based on cumulative number of participants

2) Korea only

3) In 2023, the method for calculating training hours was changed following the reorganization of online courses on the integrated training portal into an always-on learning format (only completed courses are included in training hours, while ongoing always-on learning courses are excluded)

### Talent Development Training Details (as of 2025)

Classification	Unit	2025
By Gender	Male	hours/person 45.80
	Female	hours/person 74.91
By Age	Under 30	hours/person 76.95
	30 to under 50	hours/person 42.98
Hours of Training	50 and above	hours/person 43.58
	Staff-level employees	hours/person 50.24
By Position	Manager-level employees (Senior Professional and above)	hours/person 53.67
	Executives (non-registered executives and above)	hours/person 33.39
By Training Type	Offline training	hours/person 52.35
	Online training	hours/person 52.35

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### Environmental Training<sup>1)</sup>

Classification	Unit	2023	2024	2025
Training hours	hours	2	2	2
Number of trainees	persons	7,046	8,153	9,162

1) Training related to hazardous chemicals

### Quality Management Training

Classification	Unit	2023	2024	2025
Training hours	hours	157	118	189
Number of trainees	persons	309	315	551

### Compliance & Ethics Training

Classification	Unit	2023	2024	2025		
Compliance	Number of employees subject to training	Headquarters	persons	16,419	21,941	16,951
		Overseas corporations	persons	243	64	36
		Partners	persons	110	169	83
	Number of employees completing training <sup>1)</sup>	Headquarters	persons	16,388	21,891	16,815
		Overseas corporations	persons	243	61	36
		Partners	persons	110	169	83
	Completion rate	Headquarters	%	99.8	99.8	99.2
		Overseas corporations	%	100	95.3	100
		Partners	%	100	100	100
Anti-corruption & ethics <sup>2)</sup>	Number of employees subject to training	Headquarters	persons	10,653	11,580	11,986
		Overseas corporations	persons	17,891	16,555	12,871
	Number of employees completing training <sup>1)</sup>	Headquarters	persons	10,653	11,580	11,986
		Overseas corporations	persons	17,773	16,546	12,859
	Completion rate	Headquarters	%	100	100	100
		Overseas corporations	%	99.3	99.9	99.9

1) Based on cumulative number of participants

2) Partners are excluded from anti-corruption & ethics training, and Historical performance related to the polarizing film business was excluded following the transfer of the polarizing film business in the Electronic Materials Business.

### Information Security & Personal Information Protection Training

Classification	Unit	2023	2024	2025
Information security training <sup>1)</sup>	persons	11,418	12,225	12,482
Personal Information protection training for Personal Information handlers	persons	427	495	538

1) Historical performance related to the polarizing film business was excluded following the transfer of the polarizing film business in the Electronic Materials Business.

### Information Security Training Programs

Classification	Training Frequency	Number of Participants Completing Training in 2025	Training Topics
Current employees	Once a year	12,482	Information leakage cases and related topics
Personnel handling national core and advanced strategic technologies	Once a year	4,479	Understanding national core technologies and related laws, protection measures for national core technologies, accident cases
New hires (entry-level and experienced)	As needed	329	Information security systems and definitions, security incident cases, security processes
Overseas assignees	Once every six months	29	Security incident cases and information security precautions for overseas assignments
Employees of partner companies	Once every six months	1,793	Security incident cases and information security practices

### Personal Information Protection Training Programs

Classification	Training Frequency	Number of Participants Completing Training in 2025	Training Topics
Personal Information handlers and system managers	Once a year	426	Personal Information Protection Act and security safeguards
Personal visual data handlers	Once a year	112	Laws related to fixed and mobile visual data processing devices and management and operation measures

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### Employee Participation in Social Contribution Activities

Classification	Unit	2023	2024	2025
Volunteer activity participation hours per employee in Korea <sup>1)</sup>	hours/person	8.3	7.9	6.1

1) Total annual volunteer hours divided by the total number of participants, excluding duplicate participants

### Key Social Contribution Activities

Classification	Unit	2023	2024	2025	
Samsung SW:AI Academy for Youth	Beneficiaries	persons	2,300	2,200	2,000
Samsung Dream Class	Beneficiaries	persons	7,605	4,127	2,909
Samsung Stepping Stone of Hope	Beneficiaries	persons	10,305	14,717	15,092
Blue Elephant	Beneficiaries	persons	277,887	400,169	281,845

### Social Contribution Spending

Classification	Unit	2023	2024	2025
Social contribution investment expenses	KRW 100 million	106	96	55

## GOVERNANCE

### Board Composition<sup>1)</sup>

Classification	Unit	2023	2024	2025	
Board size	Number of Executive Directors	persons	3	3	3
	Number of Independent Directors	persons	4	4	4
Number of female registered executives	persons	2	2	2	

1) As of December

### Board Operations

Classification	Unit	2023	2024	2025	
Average board attendance rate	Total	%	100	99	92
	Executive Directors	%	100	96	82
	Independent Directors	%	100	100	100
Average director tenure	years	2.6 <sup>1)</sup>	3.2 <sup>2)</sup>	0.8 <sup>3)</sup>	

1) As of March 20, 2024

2) As of March 19, 2025

3) As of March 18, 2026

### Remuneration Provided to the Board of Directors in 2025

Classification	Number of Persons	Total Compensation	Average Compensation per Person
Registered directors (excluding Independent Directors and Audit Committee members)	3	KRW 4,430 million	KRW 1,397 million
Independent Directors (excluding Audit Committee members)	1	KRW 121 million	KRW 121 million
Audit Committee members	3	KRW 335 million	KRW 112 million

※ In accordance with the corporate disclosure form preparation standards, the above number of persons and total compensation include not only currently serving registered directors, Independent Directors, and Audit Committee members, but also those who retired during the period from the beginning of the fiscal year containing the reporting date to the disclosure document preparation date.

※ Total compensation is based on amounts paid in 2025. Average compensation per person was calculated as the sum of the monthly average compensation amounts from January to December 2025 (total monthly compensation ÷ average number of employees for the relevant month), in accordance with the corporate disclosure form preparation standards.

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## GOVERNANCE

### Compliance Audit

Classification	Unit	2023	2024	2025
Compliance audit activities	cases	23	22	21

### Assessment of Corruption Risks at Sites<sup>1)</sup>

Classification	Unit	2023	2024	2025	
Total number of sites	sites	32	33	33	
Number of sites assessed for corruption risks	Total	sites	4	5	2
	- Domestic	sites	3	2	1
	- Overseas	sites	1	3	1
Ratio of sites assessed for corruption risks	%	13	15	6	

1) Historical performance related to the polarizing film business was excluded following the transfer of the polarizing film business in the Electronic Materials Business.

### Corruption Audits and Resulting Disciplinary Measures Taken<sup>1)</sup>

Classification	Unit	2023	2024	2025	
Disciplinary actions resulting from Corruption audits	Total	persons	17	6	26 <sup>2)</sup>
	- Domestic	persons	9	4	12
	- Overseas	persons	8	2	14
Business partners with terminated transactions related to fraud incidents	companies	8	3	2	

1) Historical performance related to the polarizing film business was excluded following the transfer of the polarizing film business in the Electronic Materials Business.

2) These violations were related to breaches of the Code of Conduct (conflicts of interest). There were no cases related to corruption, money laundering, or insider trading.

### Information Security & Personal Information Breaches

Classification	Unit	2023	2024	2025
Number of corporate data and Personal Information leakage cases	cases	0	0	0
Number of customers and employees affected by data leakage	persons	0	0	0
Total monetary losses, including fines and penalties paid due to data leakage	KRW 1 million	0	0	0

## R&D and Product Innovation

### R&D Expenditures

Classification	Unit	2023	2024	2025
R&D expenditures	KRW 100 million	11,364	12,976	14,209

### Cumulative Patent Registrations

Classification	Unit	2023	2024	2025
Total	cases	20,991	21,846	21,719
- Korea	cases	6,355	6,403	6,220
- United States	cases	4,391	4,483	4,449
- China	cases	2,584	2,787	2,675
- Japan	cases	1,532	1,502	1,453
- Europe	cases	5,291	5,781	6,152
- Others	cases	838	890	770

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<b>Statement of Use</b>	Reporting organization Samsung SDI reports the information for the period from January 1, 2025 to December 31, 2025 in accordance with the GRI Standards for sustainability reporting.
<b>GRI 1 Used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	As of June 2026, when Samsung SDI publishes this report, there are no applicable GRI Sector Standards.

GRI Standard/Source	Disclosure	Page	Remarks
General Disclosures			
2-1	Organizational details	P.6	
2-2	Entities included in the organization's sustainability reporting	P.2	Business Report 4
2-3	Reporting period, frequency and contact point	P.2	
2-4	Restatements of information	-	If any data has been revised, the changes are indicated in separate footnotes.
2-5	External assurance	P.97-98	
2-6	Activities, value chain and other business relationships	P.6, 10, 31	
2-7	Employees	P.80	
2-8	Workers who are not employees	P.80	
2-9	Governance structure and composition	P.60	
2-10	Nomination and selection of the highest governance body	P.60	
2-11	Chair of the highest governance body	P.60	
2-12	Role of the highest governance body in overseeing the management of impacts	P.11, 19, 27, 39, 62-63	
2-13	Delegation of responsibility for managing impacts	P.11, 19, 27, 39, 62-63	
2-14	Role of the highest governance body in sustainability reporting	P.11, 13, 62-63	
2-15	Conflicts of interest	P.60	
2-16	Communication of critical concerns	P.11	
2-17	Collective knowledge of the highest governance body	P.61	
2-18	Evaluation of the performance of the highest governance body	P.61	
2-19	Remuneration policies	P.61	
2-20	Process to determine remuneration	P.61	
2-21	Annual total compensation ratio	-	Business Report 306-308
2-22	Statement on sustainable development strategy	P.5	
2-23	Policy commitments	P.27-28, 31, 34, 39, 44, 65-66, 69	
2-24	Embedding policy commitments	P.27-28, 31, 34, 39, 44, 65-66, 69	
2-25	Processes to remediate negative impacts	P.45-46	
2-26	Mechanisms for seeking advice and raising concerns	P.37, 45-46, 53, 65, 67	
2-27	Compliance with laws and regulations	P.77, 85	Business Report 343 <sup>1)</sup>
2-28	Membership associations	P.12, 74	
2-29	Approach to stakeholder engagement	P.17	
2-30	Collective bargaining agreements	P.46	

GRI 2:  
General Disclosure 2021

GRI Standard/Source	Disclosure	Page	Remarks
Material Topics			
	3-1	Process to determine material topics	P.13
GRI 3: Material Topics 2021	3-2	List of material topics	P.14
	3-3	Management of material topics	P.15-16
Material Topic 1. Supply Chain Sustainability Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	P.31-38
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers	P.78
GRI 308: Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	P.33
	308-2	Negative environmental impacts in the supply chain and actions taken	P.31-33
GRI 414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	P.33
	414-2	Negative social impacts in the supply chain and actions taken	P.31-33
Material Topic 2. Occupational Health and Safety Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	P.39-43
	403-1	Occupational health and safety management system	P.39
	403-2	Hazard identification, risk assessment, and incident investigation	P.40-41
	403-3	Occupational health services	P.39-41, 42-43
	403-4	Worker participation, consultation, and communication on occupational health and safety	P.11, 17, 39, 41, 46
GRI 403: Occupational Health and Safety	403-5	Worker training on occupational health and safety	P.39
	403-6	Promotion of worker health	P.42-43
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P.40-42
	403-8	Workers covered by an occupational health and safety management system	P.39
	403-9	Work-related injuries	P.79
	403-10	Work-related ill health	P.79
Material Topic 3. Climate Change Response			
GRI 3: Material Topics 2021	3-3	Management of material topics	P.19-24
GRI 201: Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	P.19-23
	305-1	Direct (Scope 1) GHG emissions	P.75
	305-2	Energy indirect (Scope 2) GHG emissions	P.75
	305-3	Other indirect (Scope 3) GHG emissions	P.75
GRI 305: Emissions	305-4	GHG emissions intensity	P.75
	305-5	Reduction of GHG emissions	P.21, 24
	305-7	Nitrogen oxides (NOx), Sulfur oxides (SOx), and other significant air emissions	P.27, 77

1) On May 3, 2022, the Korea Fair Trade Commission imposed corrective measures and an administrative fine of KRW270 million on the Company for an alleged violation of Article 12-3, Paragraph 2 of the Fair Transactions in Subcontracting Act. The Company filed an administrative lawsuit against the disposition, and on December 14, 2023, the Supreme Court finalized a ruling partially in favor of the Company (partial cancellation of the corrective measures and full cancellation of the administrative fine). As a follow-up disposition reflecting the court's ruling, the Korea Fair Trade Commission recalculated an administrative fine of KRW20 million related to unfair subcontracting practices in connection with the previously cancelled fine and notified the Company of the recalculation and imposition decision on October 8, 2024. The Company completed payment of the administrative fine on December 20, 2024.

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GRI Standard/Source	Disclosure	Page	Remarks	
<b>Material Topic. Energy Management</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	P.25	
	302-1	Energy consumption within the organization	P.75	
GRI 302: Energy	302-2	Energy consumption outside of the organization	P.75	
	302-3	Energy intensity	P.75	
	302-4	Reduction of energy consumption	P.25	
	302-5	Reductions in energy requirements of products and services	-	Not applicable
	<b>Material Topic 5. R&amp;D and Product Innovation</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	P.7-8	
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<b>Material Topic 6. Waste Management and Circular Economy</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	P.26	
	GRI 301: Materials	301-1	Materials used by weight or volume	P.78
		301-2	Recycled input materials used	P.26, 76
301-3		Reclaimed products and their packaging materials	P.26, 76	
GRI 306: Waste	306-1	Waste generation and significant waste-related impacts	P.26	
	306-2	Management of significant waste-related impacts	P.26	
	306-3	Waste generated	P.76	
	306-4	Waste diverted from disposal	P.26, 76	
	306-5	Waste directed to disposal	P.76	
<b>Other GRI Index</b>				
GRI 101: Biodiversity	101-1	Policies to halt and reverse biodiversity loss	P.28	
	101-2	Management of biodiversity impacts	P.28-29	
	101-4	Identification of biodiversity impacts	P.28	
	101-5	Locations with biodiversity impacts	P.28	
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	201-3	Defined benefit plan obligations and other retirement plans	P.81	
GRI 202: Market Presence	202-2	Proportion of senior management hired from the local community	P.81	
GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	P.57-58, 84	
	203-2	Significant indirect economic impacts	P.37, 57-58	

GRI Standard/Source	Disclosure	Page	Remarks
<b>Other GRI Index</b>			
GRI 205: Anti-corruption	205-1	Operations assessed for risks related to corruption	P.65, 67, 85
	205-2	Communication and training about anti-corruption policies and procedures	P.65, 67-68, 83
	205-3	Confirmed incidents of corruption and actions taken	P.65, 67, 85
GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	P.86
GRI 207: Tax	207-1	Approach to tax	P.64
	207-4	Country-by-country reporting	P.74
GRI 303: Water and Effluents	303-1	Interactions with water as a shared resource	P.27
	303-2	Management of water discharge-related impacts	P.27
	303-3	Water withdrawal	P.76
	303-4	Water discharge	P.77
GRI 401: Employment	401-1	New employee hires and employee turnover	P.80-81
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	P.52
	401-3	Parental leave	P.81
GRI 404: Training and Education	404-1	Average hours of training per year per employee	P.82
	404-2	Programs for upgrading employee skills and transition assistance programs	P.47-49
	404-3	Percentage of employees receiving regular performance and career development reviews	P.51
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	P.60, 80-81
	405-2	Ratio of basic salary and remuneration of women to men	P.50
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	P.45-46
GRI 407: Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-
GRI 408: Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	-
GRI 409: Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	P.57-58, 84
GRI 415: Public Policy	415-1	Political contributions	-
GRI 416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	P.53-54
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	-
GRI 417: Marketing and Labeling	417-1	Requirements for product and service information and labeling	-
	417-2	Incidents of non-compliance concerning product and service information and labeling	-
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ESRS 2 BP-2	Estimates, assumptions, and external sources included in sustainability information, and changes and errors in information	Footnotes are provided where necessary.
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## SASB - Fuel Cells and Industrial Batteries & Hardware

### Fuel Cells and Industrial Batteries<sup>1)</sup>

Topic	Code	Accounting Metric	Pages and Description
Energy management	RR-FC-130a.1	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	P.21, 75
Workforce health and safety	RR-FC-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	P.79
	RR-FC-320a.2	Description of efforts to assess, monitor and reduce exposure of workforce to human health hazards	P.40-42
Product end-of-life management	RR-FC-410b.2	Weight of end-of-life material recovered and percentage recycled	P.26
	RR-FC-410b.3	Description of the approach to manage the use, reclamation, and disposal of hazardous materials	P.26, 42
Materials sourcing	RR-FC-440a.1	Description of the management of risks associated with the use of critical materials	P.32, 34-35

### Hardware<sup>1)</sup>

Topic	Code	Accounting Metric	Pages and Description
Product Security	TC-HW-230a.1	Description of approach to identifying and addressing data security risks in products	P.70
Employee Diversity & Inclusion	TC-HW-330a.1	Gender ratio and racial and ethnic composition of (1) management, (2) engineering employees, and (3) other employees	P.80, 81, 84
Product Lifecycle Management	TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Samsung SDI complies with global regulations such as EU RoHS and REACH, as well as country-specific regulations. In addition, we conduct rigorous pre-inspections and post-management for all parts and raw materials used in our products.
	TC-HW-410a.4	Weight of end-of-life products and e-waste recovered, percentage recycled	N/A * For Samsung SDI's efforts related to recycling and reuse, please refer to p.26.
Supply Chain Management	TC-HW-430a.1	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	P.32
	TC-HW-430a.2	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	P.32
Materials Sourcing	TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	P.32, 34-35
Activity Metrics	TC-HW-000.A	Number of units produced by product category	Business Report 16-17
	TC-HW-000.B	Area of manufacturing facilities	Business Report 17
	TC-HW-000.C	Percentage of production from owned facilities	Business Report 16-18

1) Certain indicators have been omitted as they are not relevant to the Company's business or are considered confidential management information.

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Four pillars	Description	Page
Governance	1) Describe the board’s oversight of climate-related risks and opportunities.	P.19
	2) Describe management’s role in assessing and managing climate-related risks and opportunities.	P.19
Strategy	1) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	P.20
	2) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.	P.20, 22-23
	3) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	P.23
Risk Management	1) Describe the organization’s processes for identifying and assessing climate-related risks.	P.19
	2) Describe the organization’s processes for managing climate-related risks.	P.19
	3) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	P.19
Metrics and Targets	1) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	P.24, 75
	2) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	P.20, 23, 75
	3) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	P.21, 24







# UN SDGs

Samsung SDI carries out a wide range of sustainability management activities centered on its sustainability strategy and material topics to contribute to the achievement of the United Nations Sustainable Development Goals (UN SDGs).

UN SDGs	Samsung SDI Contribution Activities	Page
<p>Good Health and Well-being</p> 	<ul style="list-style-type: none"> <li>Strengthened safety and health responsibilities of management and the Board of Directors, reinforcement of dedicated EHS organizations, and operation of an integrated company-wide EHS management system</li> <li>Strengthened execution capabilities in occupational health and safety management through certification of the Occupational Health and Safety Management System (ISO 45001)</li> <li>Advancement of product safety verification and establishment of a hazardous substance management system</li> <li>Conducting site risk assessments and partner company safety level evaluations</li> <li>Support for regular employee health checkups, work environment measurements, health promotion activities, and disease prevention surveys</li> </ul>	P.39-43
<p>Quality Education</p> 	<ul style="list-style-type: none"> <li>Provision of global expert development programs, including foreign language training and overseas assignment training, to strengthen global capabilities</li> <li>Operation of Technical Research Centers for cultivating job-specific experts and implementation of department-specific training programs such as learning cells and learning seminars</li> <li>Operation of Samsung joint education programs, including Samsung SW Academy for Youth (SSAFY), Dream Class, and Blue Elephant</li> <li>Promotion of employee participation volunteer activities</li> </ul>	P.47-49, 57-58
<p>Gender Equality</p> 	<ul style="list-style-type: none"> <li>Focused management of targets related to the recruitment, evaluation, promotion, and development of female employees</li> <li>Operation and expanded support of maternity and parental leave programs for all genders beyond legal requirements</li> <li>Implementation of non-discriminatory policies based on equal pay for equal work regardless of gender</li> </ul>	P.44, 50-52
<p>Clean Water and Sanitation</p> 	<ul style="list-style-type: none"> <li>Management of mid- to long-term water reuse rate targets through 2050 and implementation of initiatives to reduce water withdrawal</li> <li>Ongoing management of water pollutant emissions based on discharge standards stricter than legal requirements</li> <li>Improvement of wastewater discharge water reuse systems to expand water reuse rates at business sites</li> </ul>	P.27
<p>Affordable and Clean Energy</p> 	<ul style="list-style-type: none"> <li>Participation in RE100 and implementation of initiatives such as the purchase of renewable energy certificates under the goal of achieving 100% renewable energy use by 2050</li> <li>Reduction of company-wide energy consumption through certification of the Energy Management System (ISO 50001)</li> <li>Advancement of the energy management framework through the establishment of site energy management systems and utility facility operation/control systems</li> </ul>	P.12, 25
<p>Decent Work and Economic Growth</p> 	<ul style="list-style-type: none"> <li>Contribution to the expansion of eco-friendly industries through the supply of mobile &amp; Power batteries, Automotive &amp; ESS batteries, and Electronic Materials</li> <li>Support for strengthening partner companies' management capabilities and competitiveness through Shared Growth consulting and Shared Growth smart factory support programs</li> <li>Contribution to the creation of five jobs at two partner companies through recruitment and talent development support programs in 2025</li> </ul>	P.6, 37-38
<p>Industry, Innovation and Infrastructure</p> 	<ul style="list-style-type: none"> <li>Contribution to the development of outstanding industry talent through industry-academia collaboration with external professional institutions and leading domestic and overseas universities</li> <li>Enhancement of partner companies' operational stability through financial support programs such as the Shared Growth Fund</li> <li>Strengthening security in domestic technology sectors, including national core technologies related to automotive batteries, through the advancement of information security management systems and patent management</li> </ul>	P.7, 37, 47-48, 70

# UN SDGs

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UN SDGs	Samsung SDI Contribution Activities	Page
<p>Reduced Inequalities</p> 	<ul style="list-style-type: none"> <li>• Providing equal opportunities by preventing discrimination based on gender, nationality, race, religion, and cultural background in recruitment, evaluation, promotion, and compensation</li> <li>• Establishment of a culture that respects human rights and diversity through the establishment and operation of human rights management and DEI policies</li> <li>• Prevention of internal and external human rights risks through corrective actions for human rights issues</li> </ul>	P.44, 47, 50
<p>Sustainable Cities and Communities</p> 	<ul style="list-style-type: none"> <li>• Contribution to the reduction of waste emissions through the establishment of a recycling system for waste batteries and scrap generated during the production process</li> <li>• Reduction of impacts on local communities through the management of air pollutants, including the operation of appropriate prevention facilities for each emission source at business sites</li> <li>• Conducting environmental cleanup activities to protect local ecosystems, including the conservation and management of Sohwang coastal sand dunes</li> </ul>	P.26, 27-29
<p>Responsible Consumption and Production</p> 	<ul style="list-style-type: none"> <li>• Establishment of a recovery and recycling circulation system for process scrap and waste batteries</li> <li>• Minimization of landfill waste at business sites through Zero Waste to Landfill (ZWTL) certification and reduction of water consumption through expanded water reuse</li> <li>• Analysis and reduction of environmental impacts across all stages through expanded Life Cycle Assessment (LCA) covering the entire process from product manufacturing to disposal</li> <li>• Securing supply chain traceability for all major minerals and using minerals subject to third-party audits and certifications</li> </ul>	P.21, 26, 34-35
<p>Climate Action</p> 	<ul style="list-style-type: none"> <li>• Implementation of company-wide environmental initiatives to achieve carbon neutrality and 100% renewable energy use by 2050</li> <li>• Transition of 100% of business vehicles to zero-emission vehicles by 2030</li> <li>• Identification of partner companies' greenhouse gas emissions through Scope 3 greenhouse gas accounting and promotion of collaborative reduction projects</li> </ul>	P.21, 24, 75
<p>Peace, Justice and Strong Institutions</p> 	<ul style="list-style-type: none"> <li>• Strengthening company-wide execution of ethical and compliance management through the establishment and operation of policies such as the Employee Code of Conduct and Anti-Corruption Guidelines</li> <li>• Expansion of a company-wide compliance culture through the operation of compliance control standards, compliance systems, and various compliance activities</li> <li>• Conducting company-wide ethics and anti-corruption assessments and activation of ethics and compliance reporting systems</li> <li>• Proactive management of human rights and compliance risks through compliance inspections and blind surveys at domestic and overseas business sites</li> <li>• Identification and improvement of labor and ethical risks at partner companies through RBA (Responsible Business Alliance)-accredited institutions</li> </ul>	P.31, 46, 65-68
<p>Partnerships for the Goals</p> 	<ul style="list-style-type: none"> <li>• Participation in the UNGC and commitment to complying with the Ten Principles in the areas of human rights, labor, environment, and anti-corruption</li> <li>• Participation in various global initiatives related to renewable energy, sustainable battery value chains, responsible minerals, and ecosystem protection</li> <li>• Establishment and operation of various communication channels with key stakeholders, including customers, partner companies, governments, industry associations, universities and research institutes, local communities and civic groups, employees, and shareholders and investors</li> </ul>	P.12, 17, 44

# Greenhouse Gas Assurance Statement

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## Domestic GHG Emissions Verification

**Samsung SDI Co., Ltd.**

150-20, Gongse-ro, Giheung-gu, Yongin-si, Gyeonggi-do, Republic of Korea

### 1. Verification Goal

The goals of greenhouse gas (GHG) emission verification (hereinafter referred to as 'verification') conducted by the Korean Standards Association are as follows.

- Confirming the conformity with standards and procedures of GHG emission and GHG emissions calculated within the scope of verification
- Checking the validity of declarations related to the organization's GHG emissions or removals
- Confirming the effective implementation of the organization's management of GHG emissions or removals
- Confirming the conformity of processes for implementing, managing and improving the organization's GHG emissions or removals estimates

### 2. Verification Scope

Korea Standards Association has conducted verification for 2025 GHG emissions based on GHG report provided by Samsung SDI CO., Ltd. which includes Scope 1 and Scope 2 emissions.

### 3. Verification Criteria and Guidelines

To conduct verification activities, verification team applied verification standards and guidelines. The standards and guidelines are as follows.

- Guidance for reporting and verification of Greenhouse Gas emissions trading scheme (No. 2025-64 provided by Ministry of Environment, Republic of Korea)
- Verification Guidelines for the Operation of the Greenhouse Gas Emissions Trading System (No. 2025-165 provided by Ministry of Environment, Republic of Korea)
- 2006 IPCC Guidelines, KS I ISO 14064-1:2018 and KS I ISO 14064-3:2019

### 4. Level of Assurance

Samsung SDI Co., Ltd's GHG emissions satisfies the under Reasonable Assurance (less than ±2.5% of total emissions).

### 5. Verification Conclusion

As a result of verification activities, verification team has found no significant errors, omissions, and misstatements. Therefore, Korean Standards Association confirms that following emissions data are adequately quantified.



### 2025 GHG Emissions

(Unit : tCO<sub>2</sub>eq)

No	Plant	Scope 1	Scope 2		Total	
			Location-based	Market-based	Location-based	Market-based
1	Cheonan	31,751	171,054	163,060	202,804	194,810
2	Ulsan	19,943	151,554	145,352	171,497	165,295
3	Giheung	4,672	17,983	17,983	22,654	22,654
4	Suwon	275	51,640	51,640	51,914	51,914
5	Gumi	8,835	53,957	53,957	62,791	62,791
6	Cheongju	0	1,747	1,747	1,747	1,747
7	Dongtan	74	862	862	936	936
8	Rental Building	15	90	90	102	102
<b>Total</b>		<b>65,564</b>	<b>448,887</b>	<b>434,691</b>	<b>514,445</b>	<b>500,249</b>

※ Note : There is a difference between the total amount of emissions for each plant and total amount of emissions by types because when GHG emission is calculated, decimal point is round down.

June 1<sup>st</sup>, 2026

*Yongmin Moon*

KOREAN STANDARDS ASSOCIATION



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## Oversea GHG Emissions Verification Opinion

**Samsung SDI Co., Ltd.**

150-20, Gongse-ro, Giheung-gu, Yongin-si, Gyeonggi-do, Republic of Korea

### 1. Verification Goal

The goals of greenhouse gas (GHG) emission verification (hereinafter referred to as 'verification') conducted by the Korean Standards Association are as follows.

- Confirming the conformity with standards and procedures of GHG emission and GHG emissions calculated within the scope of verification
- Checking the validity of declarations related to the organization's GHG emissions or removals
- Confirming the effective implementation of the organization's management of GHG emissions or removals
- Confirming the conformity of processes for implementing, managing and improving the organization's GHG emissions or removals estimates

### 2. Verification Scope

Korea Standards Association conducted limited guarantee level verification for Scope 1, Scope 2 for Greenhouse Gas declaration by overseas plants of Samsung SDI Co., Ltd.

- Reporting Target : Samsung SDI Co., Ltd.'s overseas subsidiaries
- Boundary : Scope 1(Direct emissions), Scope 2(Indirect emissions)
  - Scope 1 : Stationary combustion, Mobile combustion
  - Scope 2 : Externally purchased electricity and heat
- Year : January 1, 2025 to December 31, 2025

### 3. Verification Criteria and Guidelines

Korean Standards Association conducted verification according to the procedures stipulated in ISO 14064-3 : 2019.

- KS I ISO 14064-1 : 2018
- Guidance for reporting and verification of Greenhouse Gas Emissions Trading System (No. 2025-64 provided by Ministry of Environment, Republic of Korea)
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- WRI(World Resources Institute) Greenhouse Gas Protocol

### 4. Level of Assurance and Responsibility

Korea Standards Association provides verification at limited level of assurance to strengthen GHG management for your company's GHG emissions.

- On-site inspection : Visit to Giheung Office
  - Method of confirmation :
    - Interview with greenhouse gas emissions manager and field staff
    - Review of the management system and data used to calculate greenhouse gas emissions during the reporting period
    - Tracking review of internal documents and basic data
- Samsung SDI Co. Ltd. should provide fair data on information and evidence related to GHG emissions, and the KSA is limited to guaranteeing GHG emissions.

### 5. Verification Limit

GHG emissions can be affected by factors such as data limits and uncertainties in the scope of verification, and inherent limitations may exist accordingly.



### 6. Verification Conclusion

The Korean Standards Association has confirmed that the greenhouse gas emissions calculated by Samsung SDI Co., Ltd. meet the level of assurance and the materiality threshold (less than 10%) in accordance with the verification criteria. No evidence was found to suggest that the GHG data and information were unfairly presented.

Samsung SDI Co., Ltd. has taken appropriate corrective actions on the major findings identified by the verification team. Based on the verification results, including the absence of material errors or omissions, the data and processes are considered to meet the verification criteria and guidelines, and we issue a reasonable assurance opinion.

#### • Oversea GHG emissions in 2025

(Unit : tCO<sub>2</sub>e)

No	Plant	Scope1	Scope 2		Total	
			Location-based	Market-based	Location-based	Market-based
1	TSDI & SDITB	53,328	351,382	135,687	404,710	189,015
2	SDIEM	34,519	195,380	76,760	229,899	111,278
3	SDIV	268	8,155	3,157	8,422	3,424
4	SAPB	11,005	82,980	29,944	93,984	40,948
5	SDIHU	75,018	161,899	49,436	236,917	124,454
6	SDIA	414	1,738	1,738	2,152	2,152
7	SDIBS	37	531	0	568	37
8	SDU	0	6	6	5	5
9	SDIHK	0	8	8	8	8
10	SDII	0	7	7	6	6
11	SDIEU	176	73	73	248	248
12	SDIC	56	1,789	1,789	1,845	1,845
13	NOVALED	11	1,020	1,020	1,031	1,031
14	STARPLUS	2,127	71,658	71,658	73,785	73,785
15	SDISEA	0	1	1	0	0
<b>Total</b>		<b>176,959</b>	<b>876,627</b>	<b>371,284</b>	<b>1,053,580</b>	<b>548,236</b>

※ Note : There is a difference between the total amount of emissions for each plant and total amount of emissions by types because when GHG emission is calculated, decimal point is round down.

June 1st, 2026

*Pyeongmin Moon*

KOREAN STANDARDS ASSOCIATION



# Greenhouse Gas Assurance Statement

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## Scope 3 GHG Emission Verification Opinion

### Samsung SDI Co., Ltd.

150-20, Gongse-ro, Giheung-gu, Yongin-si, Gyeonggi-do, Republic of Korea

#### 1. Verification Goal

The goals of greenhouse gas (GHG) emission verification (hereinafter referred to as 'verification') conducted by the Korean Standards Association are as follows.

- Confirming the conformity with standards and procedures of GHG emission and GHG emissions calculated within the scope of verification
- Checking the validity of declarations related to the organization's GHG emissions or removals
- Confirming the effective implementation of the organization's management of GHG emissions or removals
- Confirming the conformity of processes for implementing, managing and improving the organization's GHG emissions or removals estimates

#### 2. Verification Scope

Korea Standards Association conducted verification at limited level of assurance for Samsung SDI Co., Ltd.'s Scope 3 greenhouse gas declaration.

- Reporting Target : Samsung SDI Co.,Ltd's Domestic & Overseas business site
- Boundary : Scope 3(Other indirect emissions)
  - Category 1. Purchased goods and services
  - Category 2. Capital goods
  - Category 3. Fuel and energy-related activities(not included in Scope 1 or Scope 2)
  - Category 4. Upstream transportation and distribution
  - Category 5. Waste generated in operations
  - Category 6. Business travel
  - Category 7. Employee commuting
  - Category 8. Upstream leased assets
  - Category 9. Downstream transportation and distribution
  - Category 12. End-of-life treatment of sold products
  - Category 13. Downstream leased assets
  - Category 15. Investments
- Year : January 1, 2025 to December 31, 2025

#### 3. Verification Criteria and Guidelines

Korean Standards Association conducted verification according to the procedures stipulated in ISO 14064-3 : 2019.

- Calculation criteria
  - Corporate Value Chain (Scope 3) Accounting and Reporting Standard(WRI)
  - Guidance for reporting and verification of Greenhouse Gas Emissions Trading System (No. 2025-64 provided by Ministry of Environment, Republic of Korea)
  - 2006 IPCC Guidelines for National Greenhouse Gas Inventories
  - WRI(World Resources Institute) Greenhouse Gas Protocol
  - KS I ISO 14064-1 : 2018
  - Guide to GHG Reduction for the entire process (?23.04 Samsung Institute of EHS Strategy)

#### 4. Level of Assurance and Responsibility

Korea Standards Association provides verification at limited level of assurance to strengthen GHG management for your company's GHG emissions.

- On-site inspection : Visit to Giheung Office
- Method of confirmation :
  - Interview with greenhouse gas emissions manager and field staff
  - Review of the management system and data used to calculate greenhouse gas emissions during the reporting period
  - Tracking review of internal documents and basic data

Samsung SDI Co. Ltd. should provide fair data on information and evidence related to GHG emissions, and the KSA is limited to guaranteeing GHG emissions.



#### 5. Verification Limit

The verification was conducted through sampling based on Samsung SDI Co., Ltd.'s inventory report and supporting documentation. Accordingly, GHG emissions can be affected by factors such as data limits and uncertainties in the scope of verification, and inherent limitations may exist accordingly.

#### 6. Verification Conclusion

The Korean Standards Association has confirmed that the greenhouse gas emissions calculated by Samsung SDI Co., Ltd. meet the level of assurance and the materiality threshold (less than 10%) in accordance with the verification criteria. No evidence was found to suggest that the GHG data and information were unfairly presented.

Samsung SDI Co., Ltd. has taken appropriate corrective actions on the major findings identified by the verification team. Based on the verification results, including the absence of material errors or omissions, the data and processes are considered to meet the verification criteria and guidelines, and we issue a reasonable assurance opinion.

#### • Appendix. Domestic and Overseas Scope 3 GHG emissions in 2025

(Unit : tCO <sub>2</sub> e)	
Category	GHG Emissions
Category 1. Purchased goods and services	806,627
Category 2. Capital goods	15,199
Category 3. Fuel and energy-related activities (not included in Scope1 or Scope2)	203,317
Category 4. Upstream transportation and distribution	67,004
Category 5. Waste generated in operations	57,586
Category 6. Business travel	13,563
Category 7. Employee commuting	26,894
Category 8. Upstream leased assets	2,150
Category 9. Downstream transportation and distribution	6,345
Category 12. End-of-life treatment of sold product	120,423
Category 13. Downstream leased assets	47
Category 15. Investments	587,235
<b>Total</b>	<b>1,906,390</b>

※ Note : The final greenhouse gas emission was roundup below the decimal point and expressed in integer units.

June 1st, 2026

*Yongmin Moon*

KOREAN STANDARDS ASSOCIATION



# Independent Assurance Statement

To readers of 2026 SAMSUNG SDI Sustainability Report

## Introduction

Korea Management Registrar (KMR) was engaged to conduct an independent assurance of 2026 SAMSUNG SDI Sustainability Report for the year ending December 31, 2025. The preparation, information and internal control of the report are the sole responsibility of SAMSUNG SDI's the management. KMR's responsibility is to comply with the agreed engagement and express an opinion to SAMSUNG SDI's management.

## Subject Matter

The reporting boundaries included the performance and activities of sustainability-related organizations as described in SAMSUNG SDI's report:

- 2026 SAMSUNG SDI Sustainability Report

## Reference Standard

- GRI Standards 2021 : 2023 (GRI)

## Assurance criteria

KMR applied the quality management system in accordance with ISO 17029 and KMR EDV 01, and carried out the verification in accordance with the assurance criteria of AA1000AS v3 and KMR's proprietary SRV1000. Under AA1000AS v3, we assessed the adherence to the four principles presented in AA1000AP:2018—Inclusivity, Materiality, Responsiveness, and Impact—and evaluated the reliability and quality of the data and information using. Under SRV1000, we conducted a multidimensional review aimed at zero data errors, applying expert judgment to determine the materiality criteria

- ISO 17029 : 2019, ISO 14065 : 2020, AA1000AS v3 : 2020 (AccountAbility), AA1000AP : 2018 (AccountAbility), SRV 1000 : 2022 (KMR), KMR EDV 01 : 2024 (KMR)
- Levels of assurance/materiality: AA1000AS v3 – Type 2/moderate

## Scope of assurance

The information subject to verification in the sustainability report is as follows.

- GRI Standards 2021 reporting principles
- Universal Standards
  - GRI 2 General Disclosures 2021
  - GRI 3 Material Topics 2021

## Topic Specific Standards

- GRI 101: Biodiversity(101-1, 101-2, 101-4, 101-5, 101-8),
- GRI 201: Economic Performance(201-1, 201-2, 201-3), GRI 202: Market Presence(202-2), GRI 203: Indirect Economic Impacts, GRI 204: Procurement Practices, GRI 205: Anti-corruption, GRI 206: Anti-competitive Behavior, GRI 207: Tax(207-1, 207-4),
- GRI 301: Materials, GRI 302: Energy(302-1, 302-2, 302-3, 302-4), GRI 303: Water and Effluents(303-1, 303-2, 303-3, 303-4), GRI 305: Emissions(305-1, 305-2, 305-3, 305-4, 305-5, 305-7), GRI 306: Waste, GRI 308: Supplier Environmental Assessment,
- GRI 401: Employment, GRI 403: Occupational Health and Safety, GRI 404: Training and Education, GRI 405: Diversity and Equal Opportunity, GRI 406: Non-discrimination, GRI 407: Freedom of Association and Collective Bargaining, GRI 408: Child Labor, GRI 409: Forced or Compulsory Labor, GRI 413: Local Communities(413-1), GRI 414: Supplier Social Assessment, GRI 415: Public Policy, GRI 416: Customer Health and Safety, GRI 417: Marketing and Labeling(417-2, 417-3), GRI 418: Customer Privacy

As for the reporting boundary, the engagement excludes the data and information of SAMSUNG SDI's partners, suppliers and any third parties.

## KMR's Approach

Our Assurance Team undertook the following activities for the agreed scope of assurance using the standard outlined above

- Conducting inquiries to understand the data management and control environment, processes, and information systems (the effectiveness of controls was not tested);
- Evaluating the appropriateness and consistency of the methodology for estimation (note that the underlying data was not tested and KMR has not made any estimates);
- Visiting the headquarters, determining visit sites based on the site's contribution to sustainability and the possibility of unexpected changes since the previous period and sampling data, and carrying out due diligence on a limited number of source records at the sites visited;
- Interviewing people in charge of preparing the report;
- Considering whether the presentation and disclosures of sustainability information are accurate and clearly defined;
- Identifying errors through comparison and check against underlying information, recalculation, analyses, and backtracking; and
- Evaluating the reliability and balance of information based on independent external sources, public databases, and press releases.

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## Limitations and Recommendations

The absence of generally accepted reporting frameworks or well-established practices on which to draw to evaluate and measure non-financial information allows for different measures and measuring techniques, which can affect comparability between entities. Therefore, our assurance team relied on professional judgment. In a limited assurance engagement, the scope of the risk assessment procedures and the subsequent procedures performed in response to the assessed risks are limited than in a reasonable assurance engagement. Our assurance team conducted our work to a limited extent through inquiries, analysis, and limited sampling based on the assumption that the data and information provided by SAMSUNG SDI are complete and sufficient. To overcome these limitations, we confirmed the quality and reliability of the information by referring to independent external sources and public databases, such as DART and the National GHGs Management System (NGMS).

## Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with SAMSUNG SDI on the revision of the Report. We reviewed the Report's final version in order to make sure that our recommendations for improvement and revision have been reflected. We found that the report was prepared in accordance with the criteria presented by SAMSUNG SDI, and nothing comes to our attention to suggest that the evidence obtained regarding its content is insufficient to provide a basis for our opinion. Our opinion on the principles is as follows:

### Inclusivity

SAMSUNG SDI has developed and maintained different stakeholder communication channels at all levels to announce and fulfill its responsibilities to the stakeholders. Nothing comes to our attention to suggest that there is a key stakeholder group left out in the process. The organization makes efforts to properly reflect opinions and expectations into its strategies.

### Materiality

SAMSUNG SDI has a unique materiality assessment process to decide the impact of issues identified on its sustainability performance. We have not found any material topics left out in the process.

### Responsiveness

SAMSUNG SDI prioritized material issues to provide a comprehensive, balanced report of performance, responses, and future plans regarding them. We did not find anything to suggest that data and information disclosed in the Report do not give a fair representation of SAMSUNG SDI's actions.

### Impact

SAMSUNG SDI identifies and monitors the direct and indirect impacts of material topics found through the materiality assessment, and quantifies such impacts as much as possible.

### Reliability of Specific Sustainability Performance Information

In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of sustainability performance data, including GHG emissions management, GHG emissions link (Appendix), renewable energy transition, zero-emission vehicle introduction link (Appendix), climate change mitigation indicators and targets, company-wide energy investment and reduction activity performance, waste management performance and targets (Appendix), environmental management (Appendix), workforce status, turnover rate, employees with disabilities, and new hires data. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable. Any intentional error or misstatement is not noted from the data and information disclosed in the Report.

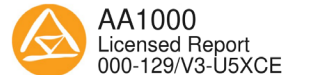
## KMR's Competence, Independence, and Quality Control

Korea Management Registrar (KMR) is a verification body for the Republic of Korea Emissions Trading Scheme (K-ETS), accredited to ISO/IEC 17029:2019 (Conformity Assessment - General principles and requirements for validation and verification bodies), ISO 14067, the additional accreditation criteria ISO 14065, and ISO/IEC 17021:2015 (Requirements for bodies providing audit and certification of management systems). Additionally, KMR maintains a comprehensive quality control system that includes documented policies and procedures of the KMR EDV 01:2024 (ESG Disclosure Assurance System) based on ISO/IEC 17029 requirements and compliant with IAASB ISQM1:2022 (International Standard on Quality Management 1 by the International Auditing and Assurance Standards Board). Furthermore, KMR adheres to the ethical requirements of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior in accordance with the IESBA Code:2023 (International Code of Ethics for Professional Accountants). Our assurance team consists of sustainability experts. Other than providing an independent assurance, KMR has no other contract with SAMSUNG SDI and did not provide any services to SAMSUNG SDI that could compromise the independence of our work.

## Limitations of Use

This assurance statement is made solely for the management of SAMSUNG SDI for the purpose of enhancing an understanding of the organization's sustainability performance and activities. We assume no liability or responsibility for its use by third parties other than the management of SAMSUNG SDI. As this assurance statement may be subject to revision after the assurance date below, we recommend verifying whether this is the latest version.

June 8, 2026



CEO *E. J. Hwang*

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**SAMSUNG SDI**

