

LG Chem, Ltd.

LG Twin Tower, 128 Yeoui-daero, Yeongdeungpo-gu, Seoul 07336, Korea
T.+82-2-3777-1114 www.lgchem.com

Dear esteemed shareholders,

I would like to express my deepest gratitude to you for your unwavering affection and support to LG Chem.

The Company will hold the 22nd Annual General Meeting of Shareholders on March 28th, 2023. The agenda for the upcoming AGM has been publicly disclosed, however, we have prepared this letter to provide more details behind each agenda item to facilitate your understanding.

The Company hopes that this would help you in exercising your voting rights and please feel free to contact our IR Team if you need further explanations or discussions.

The Company asks for your support and encouragement as we endeavor to proactively engage with our shareholders in the future.

[Agenda for the 22nd Annual General Meeting of Shareholders]

- Item 1: Approval of the 22nd Financial Statements
- Item 2: Appointment of the Outside director, 'Chun, Kyunghoon'
- Item 3: Appointment of the Member of the Audit Committee, 'Chun, Kyunghoon'
- Item 4: Approval of Remuneration Limit for Directors

February 24th, 2023

LG Chem
CEO Shin, Hak Cheol



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▪ **Item 1: Approval of the 22nd Financial Statements**

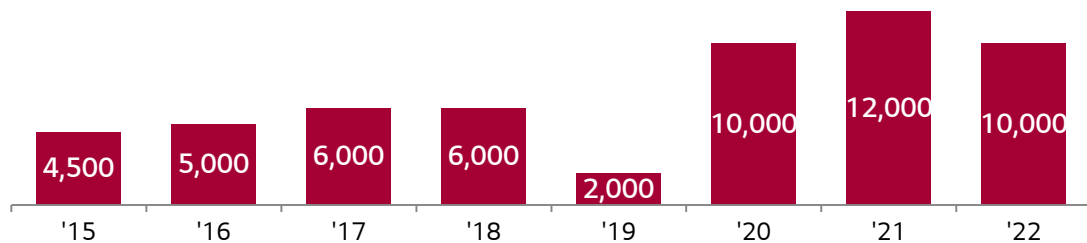
For detailed information on the Company’s financial statements, please refer to the previously disclosed financial statements. Currently, the external audit is still in progress and the final audit report is scheduled to be disclosed in the second week of March.

The Company tries to maintain 30% payout ratio based on the net income (excluding one-off non-recurring gains) of consolidated financial statements. For this year’s dividend payment, the Company has decided to set the payout ratio at 42.4% based on 1.8 trillion Won of net income attributable to ownership interest. This translates to Dividend Per Share at 10,000 Won for Common Shares and 10,050 Won for Preferred Shares. Once the dividend amount is confirmed through the resolution of the Annual General Meeting of the Shareholders, payment will take place within 1 month from the date of the AGM.

While we expect challenges in the business environment to continue this year, existing businesses including Battery Materials and Life Sciences with the recent AVEO acquisition will continue to grow. We will make efficient capital expenditures in the 3 new growth drivers and at the same time, maintain financial stability and secure low-carbon competitiveness for achieving Net Zero in order to further strengthen the foundation for future growth. In so doing, the Company will exert great efforts to improve performance with the aim of delivering enhanced shareholder value.

Dividend Per Share(DPS) Trend (Common Shares)

Unit: Won



※ The 2022 dividend amount is subject to BOD approval and to be confirmed following the approval by the 22nd AGM.

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▪ **Item 2: Appointment of the Outside Director, ‘Chun, Kyunghoon’**

Director candidate, Chun, Kyunghoon, is a professor of major of Commercial Law at Seoul National University School of Law and a highly esteemed academic engaged in active research and industry-academia cooperation activities receiving numerous awards for his academic articles on corporate and securities law.

The Company would like to newly appoint Chun, Kyunghoon as the Board’s Outside Director based on his expertise in the legal circle. Moreover, as Chun has a deep understanding of Commercial Law and M&As, he is expected to make a great contribution to the Company’s business management or strategic direction.

As a legal expert, he would lead the review of related laws and regulations ensuring lawful and rational decision-making.

- **Key experiences:** Born in 1972 / Male

’10 ~ ’15 : Assistant Professor, Seoul National University School of Law

’15 ~ ’20 : Associate Professor, Seoul National University School of Law

Present : Professor, Seoul National University School of Law

- **Status of candidate’s concurrent position as Registered Director:** None

After the appointment, the new BOD will be comprised of following members (draft):

Classification	Name	Gender	Initial Appointment	Term of Appointment
Non-Standing Director (1 person)	Kwon, Bong Seok	Male	2022.03 ~	Until AGM in 2025
Inside Director (2 people)	Shin, Hak Cheol Cha, Dong Seok	Male	2019.03 ~	Until AGM in 2025
		Male	2020.03 ~	Until AGM in 2024
Outside Director (4 people)	Kim, Mun Su	Male	2018.03 ~	Until AGM in 2024
	Lee, Hyunjoo	Female	2022.03 ~	Until AGM in 2025
	Jho, Whasun	Female	2022.03 ~	Until AGM in 2025
	Chun, Kyunghoon	Male	2023.03 ~	Until AGM in 2026

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▪ **Item 3: Appointment of the Member of the Audit Committee, 'Chun, Kyunghoon'**

Chun, Kyunghoon is a professor of major of Commercial Law at Seoul National University School of Law and has a deep understanding of the industry with his engagement in active research and industry-academia cooperation activities.

The Company would like to newly appoint Chun, Kyunghoon as a member of the Audit Committee based on his experiences as a lawyer specializing in both fair trade and corporate governance for 10 years and an advisor for the public sector such as various government committees. Based on his experience in providing solutions on key issues, it is expected to faithfully carry out his duties as a member of the Audit Committee to supervise and advise the Company with an independent and objective perspective.

- **Key experiences:** Born in 1972 / Male

'10 ~ '15 : Assistant Professor, Seoul National University School of Law

'15 ~ '20 : Associate Professor, Seoul National University School of Law

Present : Professor, Seoul National University School of Law

After the appointment, the new Audit Committee will be comprised of following members (draft):

Classification	Name	Gender
Audit Committee (4 people)	Kim, Mun Su	Male
	Lee, Hyunjoo	Female
	Jho, Whasun	Female
	Chun, Kyunghoon	Male

※ The Audit Committee is fully comprised of outside directors and Kim, Mun Su serves as the expert in accounting and finance.

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Item 4: Approval of Remuneration Limit for Directors

The Company seeks approval of 8 billion Won as the Maximum Remuneration of Directors, which is the same amount as the previous year.

Through a comprehensive assessment of quantitative metrics such as financial performance and qualitative metrics such as the assessment of key initiatives and progress on the future long-term plan, the Company calculates the actual remuneration for its directors. In light of the uncertain global business environment, the remuneration limit for directors is calculated based on the maximum amount that can be enforced.

In 2022, 5.63 billion Won was spent out of the 8 billion Won limit approved by the Annual General Meeting of Shareholders.

We regularly disclose the details of the actual amount paid and its background. Details on the 2022 1H expenditure are in the 2022 Half Yearly Report, and the 2022 full year expenditure will be included in the 2022 Business Report scheduled to be disclosed in the 4th week of March, 2023.

[Approved Directors' Remuneration Limit & Expenditure]

Classification	2022	2023
Approved Remuneration Limit (No. of Directors)	8 Billion Won (7 people)	8 Billion Won (7 people)
Actual Expenditure	5.63 Billion Won	-