

Classification	ESG Policy	ESG Policy for Subsidiaries	Rev. Date	09. 2023
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Revision No.	Revision Date
1.1	September 21, 2023
1.0	August 10, 2023
0.1	August 11, 2022

ESG Management System for Subsidiary

SK Biopharmaceuticals Co., Ltd has advanced ESG management for the subsidiaries to preemptively respond to tighten ESG regulations and requirements of managing ESG information. In alignment with the action, SK Biopharmaceuticals Co., Ltd. sets annual ESG management goals and discloses ESG information to guide its subsidiaries.

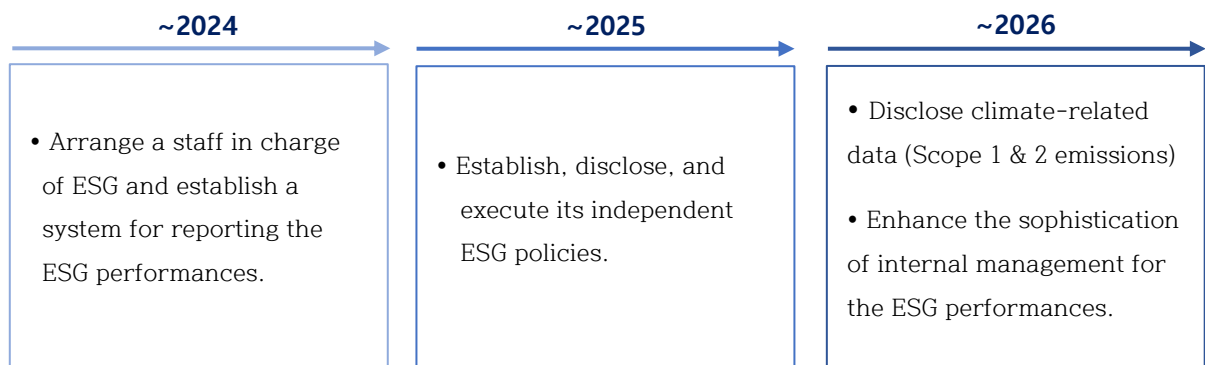
Currently, SK Biopharmaceuticals Co., Ltd. owns 3 subsidiaries and manages ESG by classifying types following the number of employees. Based on this principle, SK Life Science, Inc. (hereafter SKSLI) is monitored and managed its ESG achievements while Proteovant Therapeutics and SK Bio-Pharm Tech Co., Ltd. will be managed the ESG performances depending on the change in its employees' numbers in the future.

Name of Subsidiary	Main Functions	No. of Employees ¹⁾	Location
SK Life Science, Inc.	Pursues global clinical development and direct marketing	258	New Jersey, U.S.
Proteovant Therapeutics	Develops the technologies of Targeted Protein Degradation (TPD)	47	Pennsylvania, U.S.
SK Bio-Pharm Tech Co., Ltd.	Establishes strategic alliances for the development of new drugs	2	Shanghai, China

1) As of Aug. 31, 2023

Roadmap of ESG Management for Subsidiary

Below are the stepwise goals to raise the level of SKLSI's ESG management system.



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ESG Implementation and Performance of Subsidiary

The Head of the Corporate Culture & HR Department of SK Biopharmaceuticals Co., Ltd. who holds an additional position of the head of ESG Office (Chief Human Resources Officer, CHRO) takes a leading role in measuring and monitoring the performance of ESG activities implemented by SKLSI as below:

- Monitors and manages ESG achievements of SKLSI
 - HR: identifies and analyzes organizational diversity groups by operating the Affirmative Action Program based on statistical data of employee demographics, and establishes, implements, and audits fair evaluations.
 - Environment: monitors and manages the amount of energy consumption and indirect carbon emissions.
 - IT: monitors the management system of corporate data and customer information and the number of those exposures.
 - Social Value: calculates and manages outcomes of created social values through selling the products.

- Discloses the ESG performances
 - The ESG performances of SKLSI are annually disclosed in the SK Biopharmaceuticals' Sustainability Report. In addition, SK Biopharmaceuticals Co., Ltd. will further expand SKLSI's scope of disclosure for improved performance.
 - The ESG data of SKLSI that are disclosed currently include the following.

ESG	Area	Main Disclosures
E	Emission	<ul style="list-style-type: none"> • Indirect GHGs emission (Scope 2)
S	Human Resources	<ul style="list-style-type: none"> • Policies and programs to strengthen HR diversity and strategic HR planning • Employee status, recruitment status, and turnover status • Human Rights Protection Policy, Grievance handling channel, and enlightening human rights awareness-related activities
	Supply Chain Management	<ul style="list-style-type: none"> • Policies, processes, and activities related to the management of the supply chain • Regular audit activities for suppliers
	Quality Assurance	<ul style="list-style-type: none"> • Quality Management System and quality control education and activities

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	Sales & Marketing	<ul style="list-style-type: none"> • Responsible marketing practices • Provision of transparent information on products
	Market Access	<ul style="list-style-type: none"> • Policies, activities, and outcomes related to increased market accessibility • Performances of the Navigator Program
	Information Technology	<ul style="list-style-type: none"> • Information security certification system and related policies
	Clinical Operations	<ul style="list-style-type: none"> • Policies to secure product quality and safety during clinical studies
	Regulatory Affairs	<ul style="list-style-type: none"> • Activities to respond to measures and changes adopted by industrial regulatory authorities
	Community	<ul style="list-style-type: none"> • Social contribution activities
G	Ethics & Compliance	<ul style="list-style-type: none"> • Code of Ethics and accompanying activities
	Legal	<ul style="list-style-type: none"> • Legal disputes in the ESG area (anti-corruption anti-competition)
	Tax	<ul style="list-style-type: none"> • Tax payment status
	Controlling	<ul style="list-style-type: none"> • Political activities and lobbying
	Medical Information	<ul style="list-style-type: none"> • Ethics reporting process and customer compensation body