

Classification	ESG Management	Global Initiative Participation Policy	Date of Revision	08. 2021
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SK Biopharmaceuticals is taking part in related global initiatives, both directly and indirectly, to actively cope with ESG assessments by various external organizations (MSCI, DJSI, KCGS). With the trend of increasing diversification of global initiatives in the ESG domain throughout different industries, SK Biopharmaceuticals takes part in initiatives that fulfill the vision and strategy of SK Biopharmaceuticals, attempting to remove the adverse effects on the environment and society and extending the reach of positive effects. Such efforts will result in improved external evaluation of SK Biopharmaceuticals and enhance global competitiveness through active information exchange and partnership.

SK Biopharmaceuticals aims to join global initiatives related to the pharmaceutical supply chain by 2021 and ESG-related global initiatives by 2022 under the partnership principle below.

Partnership Principles

- ① Accordance with five focus areas of SK Biopharmaceuticals and key objectives under each area

Key Areas	Objectives
Healthcare Value	<ul style="list-style-type: none"> Maximizing social value through technological innovation and business competitiveness. Securing global leadership in CNS.
Partnership	<ul style="list-style-type: none"> Strengthening competitiveness by establishing ESG risk management system for quality and safety in supply chain.
People & Culture	<ul style="list-style-type: none"> Maximizing corporate value by boosting human resources and securing top professionals.
Governance	<ul style="list-style-type: none"> Building trust in the capital market by minimizing corruption and compliance risks, and maintaining transparent communication with stakeholders.
Environment	<ul style="list-style-type: none"> Minimizing environmental impacts to achieve sustainable business.

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② Participation in industry-specialized initiatives

SK Biopharmaceuticals aims to improve its competitiveness against other companies by actively joining initiatives specialized in the pharmaceutical industry.

③ Checking of external impact and similarities in lines of business of the joined members

Joined members of the initiative must share the following in common: 1) Regions of activity, 2) scale, and 3) purpose. Even if these aspects do not agree, we ensure that initiatives are joined under a clear purpose.

④ Evaluation on the improvement of ESG performance by focusing on key management indicators

SK Biopharmaceuticals reviews the detailed objectives that can be achieved by joining initiatives and responds to external ESG assessments actively.

After joining initiatives, SK Biopharmaceuticals consistently monitors activities to improve qualitative and quantitative indicators in the ESG area.

⑤ Consideration of initiatives already joined by affiliates

SK Biopharmaceuticals considers creating synergy with other affiliates of the SK Group by checking on the initiatives they joined.