

No-Deforestation Policy

SK Inc., in all its forestry management activities, aims to achieve sustainable forest management and establish a responsible corporate system that ensures the stability, adaptability, and diversity of forests while meeting the principles of productivity, economy, and sustainability. The company sets a basic policy of maintaining and promoting the public functions of forests, such as land preservation, landscape maintenance, water source protection, and recreation. Along with forest protection, SK Inc. will contribute to carbon reduction and forest conservation to address the climate crisis through continuous afforestation. SK Inc. will prevent, minimize, and mitigate deforestation throughout its business operations. During the review of new projects and business acquisitions, the company will assess and monitor the impact of deforestation resulting from corporate operations. These principles will be applied to all major business sites, subsidiaries, and key business suppliers in the entire supply chain. The company's goal is to achieve a complete prohibition of deforestation by 2050.

Declaration Content

Mitigation Declaration: SK Inc. will monitor the impact of deforestation that occurs during its business operations and implement afforestation and reforestation activities to offset the impacts. As the first in the country, the company registered A/R CDM projects with the UN to create forests that absorb carbon in Goseong-gun, Gangwon-do, and will strive to achieve a Net Zero impact from deforestation by creating more forests.

Compliance and Monitoring

① Monitoring System for Compliance with the Declaration:

SK Inc. ensures that forestry managers of relevant forestry and other activities conduct monitoring and keep records. If any significant negative impact on ecology (environment) is identified, the forestry manager will suspend forestry and other activities and report it to the general manager and relevant personnel. To prevent forest destruction, including



compliance with the policy, regular and occasional assessments are conducted for ecological (environmental) impact assessment, and the results of the ecological (environmental) impact assessment are confirmed as follows. Forest managers will continuously check and block negative impacts on the ecology (environment), including minor risks, before they occur. Forest managers will continuously check and confirm the ecology (environment) after forestry operations and other activities to prevent negative impacts from occurring. If negative changes are identified after forestry operations and other activities, forest managers will record them and minimize them through communication with the general manager and relevant personnel. In the case of outsourcing forestry work, we will ensure that all measures are taken to protect the safety of workers and the environment of the forest through contracts with contractors. We will specify the safety equipment to be provided for the safety of workers, ensure that sufficient safety training is conducted before work, and keep relevant records of all measures. In addition, the person in charge will ensure that safety and environmental management are properly implemented through monitoring.

② Compliance with Forest Regulations/Obligatory Standards:

SK Inc. establishes an organization responsible for managing the implementation of regulations and deforestation prevention policies at the headquarters, subsidiaries, and business sites to ensure company-wide policy compliance.

③ Collaboration with Suppliers and/or Suppliers for Deforestation Risk Management and Mitigation:

SK Inc. will establish and strengthen strategic partnerships with industry associations, professional organizations, and others to achieve the goal of preventing deforestation.

Coverage

- ① This policy applies to employees of SK Inc. headquarters, all domestic and overseas business sites, and subsidiaries.
- ② SK Inc. encourages all stakeholders involved in business relationships with the company, including our suppliers and business partners, to adopt this policy and promotes the necessity of deforestation prevention.