

## Biodiversity Policy

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SK Inc. is aware of the increasing risks to biodiversity amid industrial development. It recognizes not only the social losses caused by the failure to protect natural ecosystems but also the impacts on its business. As an investment company, SK Inc. places great importance on biodiversity and has established principles for biodiversity management. It understands the necessity of biodiversity protection in its investment decision-making process and strives to minimize operational impacts on the environment. SK Inc. will prevent, minimize, and mitigate biodiversity risks throughout its business operations. During the review of new projects and business acquisitions, the company will assess and monitor the state and value of biodiversity and its potential impact. The company's goal is to achieve zero net loss and net positive impact by 2050.

### **Compliance with Legal Requirements in Areas Requiring Land Management and Biodiversity Protection**

SK Inc. will comply with global biodiversity standards and legal requirements, including the internationally agreed Convention on Biological Diversity, led by the United Nations Environment Program (UNEP), and applicable international agreements on land management and biodiversity protection (World Heritage areas, IUCN Category I-IV protected areas). SK Inc. will carry out biodiversity conservation activities in and around business sites and local communities based on environmental impact assessments in accordance with relevant legal requirements in requiring land management and biodiversity protection.

### **Declaration content**

- ① Prohibition Declaration: SK Inc. will not establish or operate new business sites in biodiversity conservation areas and their surrounding areas in the medium to long term.
- ② Mitigation Activities: According to the application of a mitigation hierarchy, we will strive to achieve No Net Loss (NNL) and Net Positive Impact (NPI) of biodiversity in business



locations within biodiversity conservation areas and their surroundings. In forest areas owned by SK Inc. or its subsidiaries, we will monitor biodiversity as follows to ensure that impacts on biodiversity are minimized.

- Monitoring for the maintenance of biodiversity; monitoring of genetic resource protection areas; monitoring of endemic, threatened or rare species; monitoring to prevent illegal hunting, trapping and harvesting activities; and monitoring of artificial augmentation of threatened and endangered species to protect their populations.
- Determining the impact of animal populations on forest renewal and growth and biodiversity, environmentally sensitive areas including water resources, areas where soil erosion is expected, and areas where water resource protection should be a priority
- ③ Collaboration Activities: To achieve biodiversity conservation goals, SK Inc. will establish and strengthen strategic partnerships with industry associations, local communities, and professional organizations.

## **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 protecting biodiversity.