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2021 SK BROCHURE

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HAPPINESS

CHAIRMAN'S VISION

Dear stakeholders,

In 2021 the world grappled with the momentous challenge of Covid-19, a pandemic that destabilized the global order and compounded growing tensions in society. Businesses and industries have had to adapt in order to survive amid the unfolding economic turmoil and ongoing environmental crisis.

But with every crisis comes opportunity. Today SK is reconfiguring its growth model towards greater resilience and sustainability. We are building a different approach to corporate value, one that is predicated on trust and a compelling *financial story*.

This new approach considers the *total value* of our business activities and is not focused exclusively on financial returns. In fact, it encompasses a host of non-financial assets, including our ESG proposition, our intellectual property and our distinctive corporate culture. We believe that running eco-friendly businesses, generating value to society and promoting transparency in corporate governance is the best way to breed value and trust. There is no better way to grow together with our wider community.

And 2021 will be a landmark year in our effort to implement this new financial story. To make sure that it resonates with our stakeholders, we propose to transform our growth model from the bottom-up. This will help us weather the crisis and allow us to emerge stronger. It will also optimize our growth to meet the needs of our stakeholders, by which I mean our customers, employees, shareholders, and those wider communities affected by our operations.

At SK we recognize the invaluable support and contribution of our stakeholders. You have collectively laid the foundations of our corporate growth and ongoing success. And this awareness is a springboard for value creation. It enables us to reflect on our performance, to maximize our social impact and to breed happiness in society. It allows us to connect with local and distant communities and work with them to address common issues and challenges.

Going forward, we will continue to engage with our stakeholders to embrace these challenges. And this ambition for collective success, or *pae-gi* in Korean, will be the cornerstone of our new model for growth and entrepreneurship.

Yours faithfully,



Chey Tae-won
SK Group Chairman & CEO



SK OVERVIEW

Having overcome countless crises and challenges through relentless change and innovation, SK is now moving towards greater happiness. Everyone at SK is innovating business models based on the belief in, and practice of, creating social value and happiness, and is building sustainable happiness for the employees and all the stakeholders of SK.



BUSINESS PHILOSOPHY | SKMS

MILESTONES

SK AT A GLANCE

GOVERNANCE

SOCIAL VALUE

GLOBAL BUSINESS

BUSINESS PHILOSOPHY | SKMS

SK pursues **sustainable happiness** for employees and stakeholders alike.

Established in 1979, SKMS is comprised of SK's business philosophy and the methodology for applying the business philosophy to actual business operations. It has since served as the foundation of SK's corporate culture by building consensus among all employees of SK. Business activities and corporate culture rooted in SKMS have played a critical role in the continuous growth and development of SK. Everyone at SK is voluntarily and willingly practicing SKMS with confidence and passion. This is how SK People's own happiness and the happiness of stakeholders are simultaneously pursued.



Happiness of SK People

Having chosen to be part of SK, SK People drive SK's business and are the heartbeat of the company. They strive to grow the pie of happiness by cultivating their own happiness based on the belief and trust in achieving greater happiness by working together as a community that is SK.



Social Value

SK believes it has another role of creating greater happiness for various stakeholders. SK is actively creating social value, which it defines as all value created by the company to promote the happiness of stakeholders. SK makes it its mission to ensure the happiness of every stakeholder.



SUPEX Company

As part of its effort to become a happier organization, SK strives to reach its goal of SUPEX—short for SUPER Excellent—the highest level humanly achievable. SK aspires to be a SUPEX Company that creates the highest level of economic and social value and happiness for everyone to build a happier society.



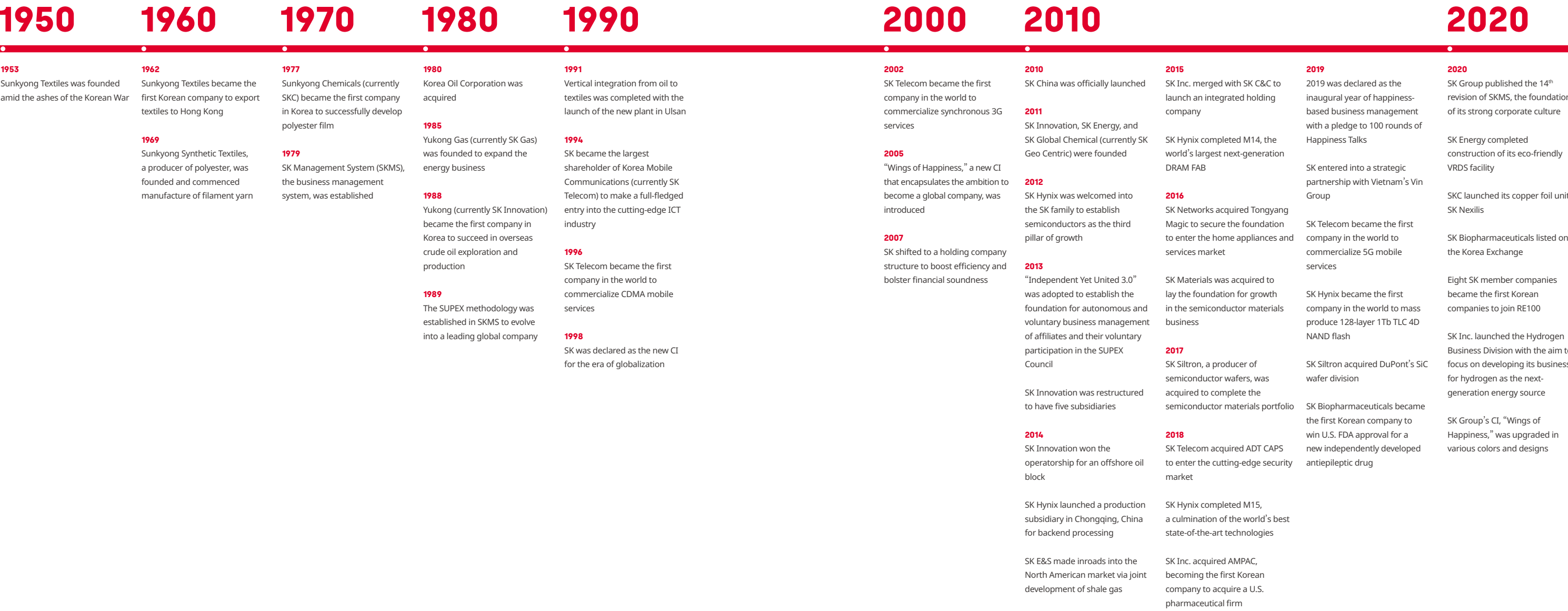
VWBE* Culture

SK understands that its people are the agents of pursuing happiness and that SUPEX can only be achieved when they are able to realize their full potential. SK defines “pae-gi” as a stage where the greatest potential of its people is unleashed through voluntary and willing brain engagement and continues to foster people with “pae-gi.”

*VWBE: Voluntary and Willing Brain Engagement

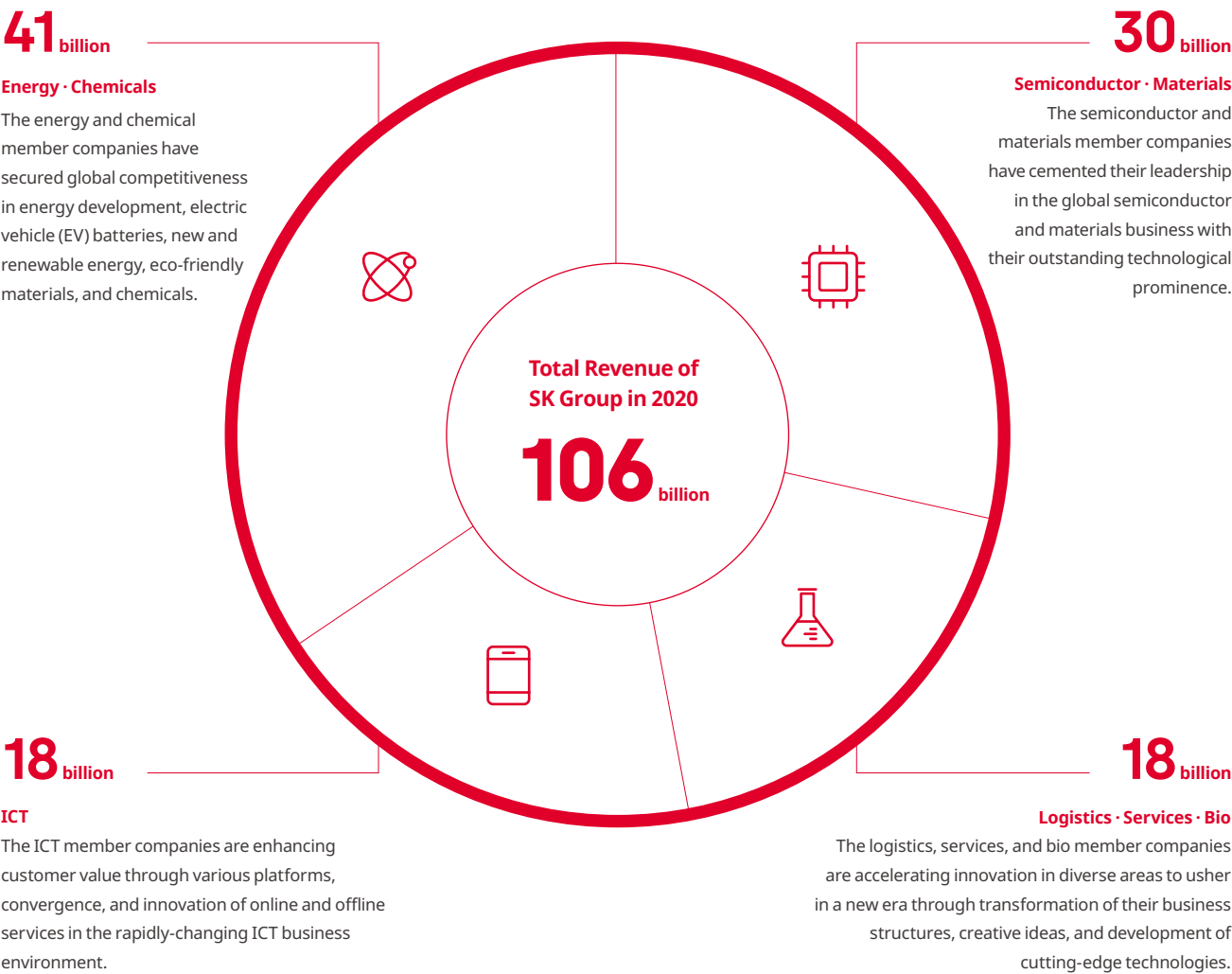
MILESTONES

SK boasts a history of relentless pursuit of change and innovation, turning every crisis into a springboard for an opportunity to embrace new challenges.



SK AT A GLANCE

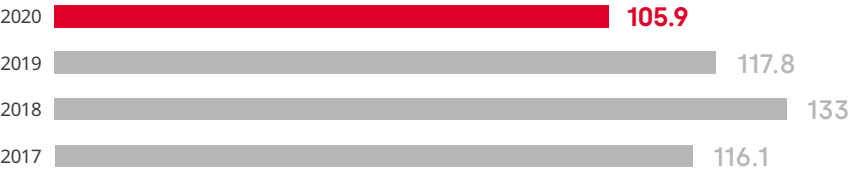
SK member companies take the “independent” approach to develop capabilities best suited to their respective business environment and structural nature of their business, while taking the “united” approach to find ways to create synergy to continuously promote stability and growth. SK will continue to create value for the happiness of stakeholders in all of its business sectors: energy and chemicals that lead global growth; ICT, semiconductor, and materials that lead the technological innovation of the Fourth Industrial Revolution; and logistics, services, and bio that contribute to enriching lives.



FORTUNE GLOBAL 500 | AS OF 2020



Total Revenue (Unit: USD billion)



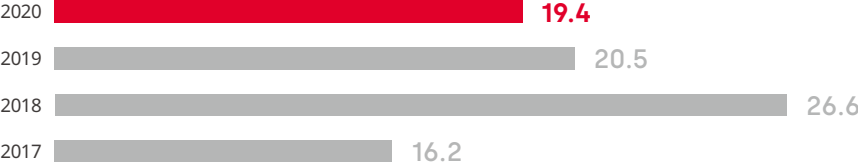
Market Capitalization (Unit: USD billion)



Operating Income (Unit: USD billion)

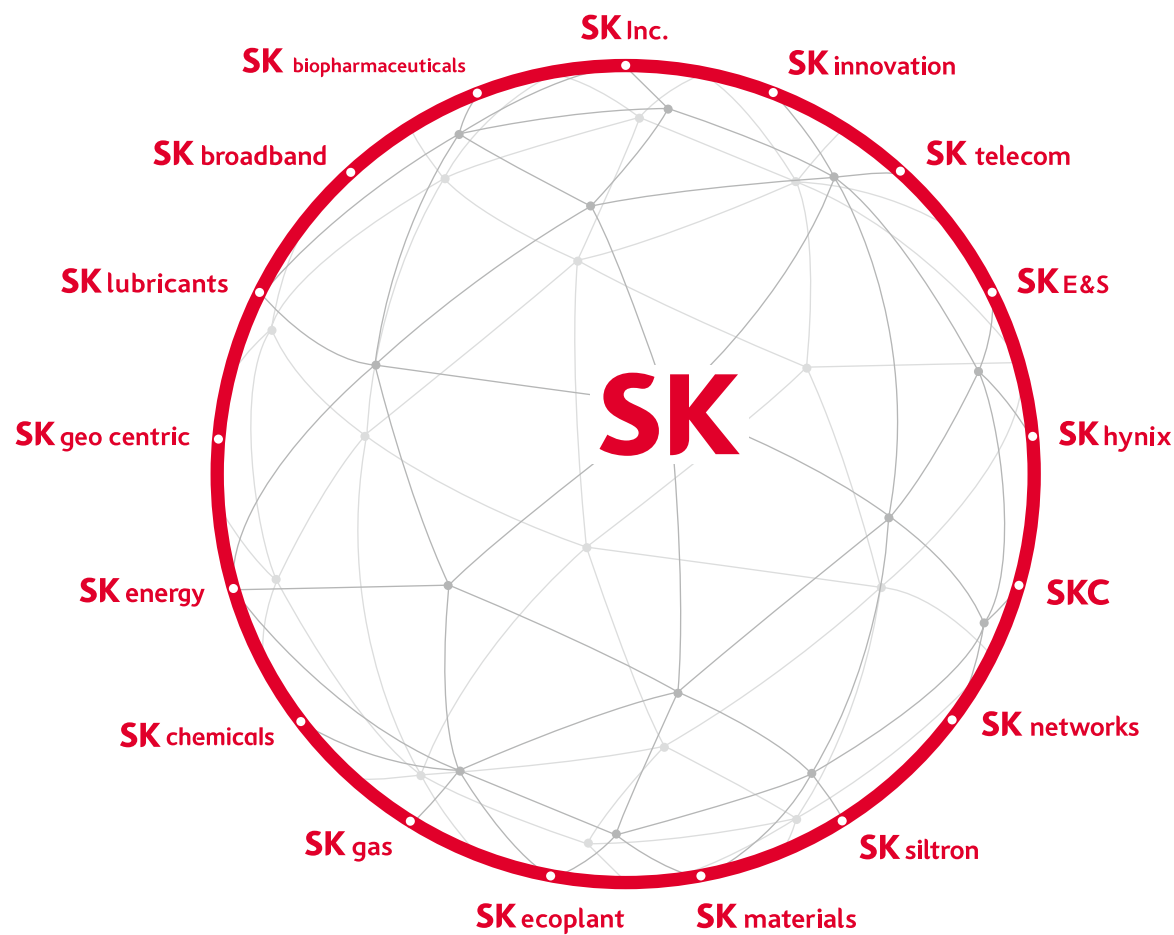


Investment (Unit: USD billion)



GOVERNANCE

SK is promoting its stakeholder value by enhancing the transparency of corporate governance and the efficiency of business management. SK has established a responsible business management system that ensures independence and autonomy of its member companies and a sensible mechanism for their cooperation. SK is further enhancing its competitiveness for the future by adopting decision-making structures best suited to the nature of each business line and through efficient use of resources.



SUPLEX Council

The SUPLEX Council is the official management consultative body of the highest authority within SK Group. The council promotes participation from, and cooperation among, member companies based on the “Agreement on the Implementation of Measures for Mutual Cooperation,” signed by key member companies, and is leading the continued and stable growth of SK by effectively implementing the “Independent Yet United” approach.

The SUPLEX Council is comprised of representatives of 17 member companies (as of January 2021) who signed the Agreement and operates seven committees with their respective areas of expertise that promote collective wisdom among member companies and mutual cooperation to enhance the practice of “Independent Yet United” approach.

- **Strategy Committee** — The Strategy Committee supports the development and execution of strategies at the Group level, identifies new business opportunities for growth, and discusses plans for investment collaboration and measures to execute the plans.
- **Environmental Business Committee** — The Environmental Business Committee supports the discovery of opportunities for eco-friendly businesses and promising technologies for SK Group and facilitates the discussion on ways for member companies to collaborate and create synergy in environmental businesses.
- **ICT Committee** — The ICT Committee discusses key ICT-related agendas in order to identify and drive new growth engines and supports member companies in their business model (BM) innovation driven by AI and digital transformation.
- **Communication Committee** — The Communication Committee supports communication at the Group level to facilitate effective communication with diverse groups of internal and external stakeholders.
- **Human Resource Development Committee** — The Human Resource Development Committee supports the discovery and development of future leaders of the Group based on SKMS, the foundation of SK’s corporate culture.
- **Social Value (SV) Committee** — The SV Committee sets the stage for the Group to generate social value and strives to promote mutual growth with social enterprises and business partners in order to create and share sustainable happiness.
- **Governance Committee** — The Governance Committee supports building a globally competitive corporate governance that warrants market trust.

SOCIAL VALUE

SK aspires to create **social value** for the coexistence and happiness of all members of society.

SK contributes to the sustainable growth of businesses and society by creating “economic value” and “social value.” The Group also strives to win the trust of stakeholders by incorporating social value into the entire process of producing and delivering its products and services, while delivering business innovation to ensure the coexistence and happiness of all members of society. In addition, SK took a proactive step to do research and develop a methodology for measuring social value to quantify the social value generated by each of the 14 SK member companies every year. By measuring the social value and analyzing the performance in social value creation, SK continues to build its understanding of the expanded role of businesses as well as the value they can offer and communicate with various stakeholders.



Double Bottom Line

SK has adopted the “DBL (Double Bottom Line)” management, which pursues economic and social value in parallel. To this end, SK measures social value and develops a social value-based business model.



ESG Management

With the intensifying environmental and societal crises around the world, all stakeholders demand businesses to incorporate ESG principles into business management. In line with such demand, SK is strengthening its ESG business management through efforts towards eco-friendly businesses, creation of social value, and building of trust-worthy governance.



Building a Social Value Community

SK is working hard to build and promote a social value community. For instance, in partnership with Happy Alliance, Korea’s largest social contribution platform dedicated to helping starving children, SK has organized SOVAC (Social Value Connect), the first and largest social value creation event hosted in the private sector.



Creating an Ecosystem for Social Enterprises

To bolster the competitiveness of “social enterprises”—the experts in creating social value—and ensure that talent and capital continue to be provided into the ecosystem of social enterprises, SK is taking the lead in nurturing talent for social innovation and forming investment funds for social enterprises.

Efforts to Create an Ecosystem for Social Enterprises

Nurturing Social Entrepreneurs

SK introduced a two-year program called “Social Entrepreneurship MBA” in 2013 in collaboration with KAIST with the aim to nurture talent equipped with a new set of “qualities of entrepreneurs” in demand in society. Every year, 20 potential social entrepreneurs are selected to develop their social problem-solving abilities and entrepreneurial skills and have their sense of calling promoted.

106

The number of social entrepreneurs trained in the program (As of 2020)

96%

The rate of program alumni starting a business upon graduation

Creating Social Enterprise Investment Funds

In 2017, SK launched the first private equity fund devoted to social enterprises worth USD 9.3 million in collaboration with IBK Securities in accordance with the Financial Investment Services and Capital Markets Act. Companies from the private sector, commercial banks, and policy financing institutions came together to form the fund to invest in companies that participate in the SPC (Social Progress Credit) and companies that have proved the growth potential of their social and economic value. In May 2021, SK launched the Green Impact Fund of USD 42.4 million, the largest to date in Korea, in partnership with institutions including Korea Development Bank (KDB), to invest in impact investment companies that meet the standards of the UN Sustainable Development Goals (SDGs).

USD 115.2 million

Funds for investing in social enterprises (Cumulative as of May 2021)

Happynarae

Happynarae, founded by SK, is a “social enterprise for social enterprises.” It operates a diverse array of programs to enhance the competitiveness of social enterprises, including boosting their product competitiveness and providing distribution channels. All profits go towards promoting the ecosystem for social enterprise.

USD 51.4 million

Amount of profits given back to society (Cumulative as of 2020)

SPC (Social Progress Credit)

Fostering an ecosystem for social enterprises requires a virtuous cycle of having the social value created by social enterprises recognized in the market and the recognition leading to the confidence, reward, and investments from mainstream capital markets. The SPC program measures the value created by social enterprises in monetary terms and provides cash “incentives” in proportion to the value created. Over the last six years, 324 participating social enterprises have generated accumulated social value of USD 199.2 million, which was translated into an economic value to pay out incentives amounting to a total of USD 38.8 million.

324 companies

Number of participants in SPC (As of July 2021)

USD 199.2 million

Cumulative social contribution performance

USD 38.8 million

Incentives paid



GLOBAL BUSINESS

The essence of “SK Globalization” is “**Global Partnering.**”

(Unit: USD billion)

“Global Partnering” is not simply about pursuing material value of bringing together competitive edges of different companies. Rather than focusing on short-term profits, SK strives to find ways to work closely with partners in the long term to deliver robust performance. In parallel to that endeavor, SK pursues “Localization,” intended for SK and the communities where its businesses operate to grow together for the long run; “Independent Yet United,” an approach to cooperation among member companies to venture into areas that can increase synergy; and “Social Value,” which promotes the growth of both businesses and society.



NORTHEAST ASIA

In 1991, SK became the first Korean company to open an office in Beijing and has since been conducting business in China with a long-term perspective and the strategy to solidify its position as a China Insider through meticulous localization measures. These efforts have resulted in tangible outcomes first in the semiconductor, energy and chemical sector, and now in EV batteries, bio, and ICT, rising as the new global growth engine that will lead SK into the future.



6 HONG KONG

SK Networks Founded a subsidiary in 2008 to support the trade transactions of the headquarters and serve as an intermediary holding company for investment in China
SK Ecoplant Has been carrying out the Yau Ma Tei road project in Hong Kong

7 HUIZHOU

SK Innovation Started commercial production of batteries in Huizhou in 2020

8 JIANGSU

SK Innovation Started commercial production of batteries in 2020 in Yanchen, Jaingsu Province
SKC Completed the production line for PET films with an annual production capacity of 33,000 tons in 2013 and produces heat-shrinkable, optical, and high-performance industrial PET films
SK Materials Established a production subsidiary for nitrogen trifluoride (NF₃) in 2011 in Zhenjiang, Jiangsu Province to produce 1.5 tons of NF₃ per year.

9 NINGBO

SK Geo Centric Started the operation of an EPDM plant in 2015 through the joint venture Ningbo SK Performance Rubber Co., Ltd. in China

10 PINGHU

SK Networks Manufactures and sells cold rolled steel products in Huadong

11 QINGDAO

SK Chemicals (SK Chemicals Qingdao Co., Ltd.) Produces carbon fiber prepreg

12 SHANGHAI

SK Inc. Invested in China's second-largest logistics infrastructure company, E-Shang Redwood Group (ESR), and in Harbour BioMed, a venture capital-backed biopharmaceutical company
SK Networks Carries out market trend research & intelligence activities and trades chemical materials
SK Siltron Founded a subsidiary in China in 2019 and has been operating a silicon wafer business that supplies leading-edge wafers to local semiconductor manufacturers
SK Materials Established a sales subsidiary and a warehouse in Shanghai in 2019 for specialty gas for semiconductors and displays
SK Chemicals (SK Chemicals Shanghai Co., Ltd.) Carries out marketing for high-performance copolyester resins and engineering plastics
SK Geo Centric Established a TS&D center in 2017 to target the Chinese market for high value-added chemicals
SK Biopharmaceuticals (SK Bio-Pharm Tech Co., Ltd) Explores opportunities to develop new drugs and seeks approvals in China

13 SHENZHEN

SK Inc. Invested in Wason, the world's leading manufacturer of copper foil, which is a key component of EV batteries
SK Innovation Founded an overseas subsidiary in 2014 to carry out offshore block exploration projects (blocks 04/20 and 17/03) in the South China Sea

14 SUZHOU

SK Chemicals (SK Chemicals Suzhou) Produces and sells high molecular weight polyester binder coatings and adhesives

15 TAIWAN

SK Networks Carries out market trend research & intelligence activities and trades chemical materials and steel products
SK Siltron Founded a subsidiary in Taiwan in 2002 and has been operating a silicon wafer business that supplies leading-edge wafers to local semiconductor manufacturers
SK Materials Established a sales subsidiary and a warehouse in Taichung in 2010 for specialty gas for semiconductors and displays, which positioned the company to lead the gas & IT materials business and drive global expansion

16 TIANJIN

SK Lubricants Has been producing finished lubricants in the Tianjin plant for the Chinese market since 2012

17 WUHAN

SK Geo Centric Founded Sinopec-SK (Wuhan) Petrochemical, a joint venture with China's largest oil company SINOPEC

18 WUXI

SK Hynix Manufactures memory semiconductors that are leading the global DRAM market based on its cost and manufacturing competitiveness

19 XIAMEN

SK Networks Manufactures and sells cold rolled steel products in Fujian Province

20 XIAN

SK Materials Founded a sales subsidiary and a warehouse in Xian in 2013 for specialty gas for semiconductors and displays

21 ZHANGJIAKOU

SK Inc. Invested in Chindata Group, one of China's top three hyperscale data center operators

22 JAPAN

SK Networks Carries out market trend research & intelligence activities
SK Siltron Founded a subsidiary in Nagoya in 2010 and has been operating a silicon wafer business that supplies leading-edge wafers to local semiconductor manufacturers
SK Materials Established a sales subsidiary and a warehouse in Yokkaichi in 2010 for specialty gas for semiconductors and displays, which positioned the company to lead the gas & IT materials business and drive global expansion
SK Chemicals (SK Chemicals Japan Branch) Carries out marketing for high-performance copolyester resins and engineering plastics
SK Lubricants Founded a sales subsidiary in 2009 for base oil, which is currently in operation
SK Biopharmaceuticals Partnered with Ono Pharmaceutical to develop and commercialize cenobamate in Japan
SK Magic Founded a beauty & home appliances business in 2018 (Launched a beauty & health appliances JV)

SOUTHEAST ASIA & OCEANIA

After starting commercial production of crude oil in Vietnam in 2003, SK made its full-fledged foray into Southeast Asia, which has sustained continuous high growth, and Australia. SK stays ahead of the rapidly-changing environment in these markets to make accurate predictions and is expanding its portfolio based on a diverse set of business models that cover energy, trading, commerce platforms, car sharing, and biotech ventures.

① AUSTRALIA
SK E&S Invested in the Barossa-Caldita offshore gas field project

② INDIA
SK Lubricants Founded a sales subsidiary in 2011 for the sale of finished lubricants tailored to the needs of the Indian market

③ INDONESIA
SK E&S Founded PT. PRISM Nusantara International to carry out a business to build infrastructure for natural gas and LNG
SK Networks Carries out market trend research & intelligence activities and trades chemical materials
SK Ecoplant Won a project to modernize an oil refinery in Balikpapan
SK Lubricants Built a base oil plant in partnership with the energy company Pertamina and started commercial production of premium base oil in 2008

④ MALAYSIA
SK Inc. Partnered with Korea’s top car sharing service SOCAR to launch the joint venture SOCAR Malaysia
SK Networks Carries out market trend research & intelligence activities and trades chemical materials and steel products
SK Magic Founded a subsidiary in Kuala Lumpur in 2018 to sell and provide rental for home appliances such as water dispensers and air purifiers

⑤ MYANMAR
SK Energy · SK Trading International Acquired a 35% stake in BOC, Myanmar’s second-largest oil distribution group, to take the largest share of the domestic market by enhancing the value (Value-up) of BOC and expand into the global market based on the local partnership

⑥ SINGAPORE
SK Inc. Invested in Grab, Southeast Asia’s top mobility company, and in Hummingbird Bioscience, a startup that develops antibody drugs
SK Telecom Launched a joint venture called Grab Geo Holdings with Southeast Asia’s largest ride-sharing company Grab to start a business for map and navigation technology
SK E&S Founded an overseas entity for LNG procurement and trading (PRISM Energy International)
SK Gas Enhanced LPG trading by establishing SK Gas International Pte., Ltd.
SK Geo Centric Enhanced trading of chemical products by launching SSNC, a joint venture with the global leader SABIC
SK Trading International Operates trading and bunkering business in Singapore to provide crude oil and petroleum products to Korea and export petroleum products produced in Korea

⑦ THAILAND
SK Ecoplant Carried out a project to construct a polyol plant

⑧ VIETNAM
SK Innovation Founded an overseas subsidiary in 2007 to carry out offshore block exploration projects (stake ownership for blocks 15-1, 15-1/05, and 15-2/17 and operatorship for block 16-2) in Vietnam
SK Networks Carries out market trend research & intelligence activities and trades chemical materials and steel products
SK Ecoplant Carried out the project to build the Long Son Petrochemical Complex
SK Energy Invested in Petrolimex and PV Oil, respectively the largest and second-largest oil distributors in Vietnam, for global expansion
SK Magic Founded a subsidiary in Ho Chi Minh in 2018 to offer home appliances in the local market such as water dispensers and air purifiers

NORTH & SOUTH AMERICA

SK is successfully venturing into the global market by establishing value chains for energy resources, developing new biologics, building commerce platforms, and constructing plants in North and South America

① CALIFORNIA
SK Inc. Invested in TURO, the largest P2P car sharing service in the U.S.; Hilio Inc., a maker of smart glass, which is rising as the new energy-saving solution; and Perfect Day, a tech startup that develops alternative proteins without bovine milk
SK Networks Carries out market trend research & intelligence activities
SK Siltron Founded a subsidiary in the U.S. in 2001 and has been operating a silicon wafer business that supplies leading-edge wafers to local semiconductor manufacturers
SK Ecoplant Won a project to build a fuel cell facility in the SV11 data center of Equinix in the U.S.
SK Chemicals (SK Chemicals America, Inc.) Carries out marketing for high-performance copolyester resins and engineering plastics
SK Pharmteco (AMPAC) Serves as the HQ for global CMO business units as well as the HQ for the North American operations and runs manufacturing plants for small-molecule APIs as well as R&D centers

② GEORGIA
SK Innovation Battery manufacturing Plant 1 and 2 are under construction with Plant 1 scheduled to begin its commercial production in 2022
SKC Founded SKC Inc. in Covington, Georgia in 1999 to manufacture PET films
SK C&C USA Founded in 2020, the company has built and operates digital systems for production (MES/MCS/IT infrastructure) in the U.S.

③ MICHIGAN
SK Siltron Founded SK Siltron CSS in 2020 to manufacture silicon carbide wafers (SiC Wafer, SiC Epitaxy) of 4”(100mm) and 6”(150mm) at its plant in Auburn
SK Geo Centric Manufactures the product line of Saran™, the high-performance packaging material, acquired from Dow Chemical in 2017

④ NEBRASKA
SK Inc. Invested in Monolith, a global leading producer of the eco-friendly turquoise hydrogen and carbon black
⑤ NEW YORK / NEW JERSEY
SK Inc. Invested in Alice+Olivia, a U.S. fashion brand; Plug Power, a global leading company that produces and transports eco-friendly hydrogen and develops fuel cell technologies; and Proteovant, a company that develops new drugs based on the protein degradation technology
SK E&S As the largest shareholder of the global hydrogen company Plug Power, the company carries out domestic and overseas hydrogen projects, including setting up a JV in Asia
SK Biopharmaceuticals (SK Life Science) Distributes cenobamate (sold as XCOPRI® in the U.S.), a new antiepileptic drug, and solriamfetol (sold as SUNOSI® in the U.S.), a new sleep disorder drug. The company collaborates with Jazz Pharmaceuticals for the global development and commercialization of solriamfetol
SK Pharmteco (SK Biotek USA) Founded a marketing subsidiary

⑥ OHIO
SK Inc. Invested in the energy G&P company Eureka and in Blue Racer Midstream

⑦ OKLAHOMA
SK E&S Has been developing a shale gas reserve in Oklahoma with the U.S. company Continental Resources

⑧ TEXAS
SK Inc. Invested in the energy G&P company Brazos
SK Siltron Opened the Dallas office in 2001 and has been operating a silicon wafer business that supplies leading-edge wafers to local semiconductor manufacturers
SK Gas Has been reinforcing the portfolio for growth through efforts to identify opportunities in North America, such as operation of a shale gas trading business and a new electricity business in the region
SK Geo Centric Manufactures Primacor™, functional adhesive resin, acquired from Dow Chemical in 2017

SK Lubricants Founded a sales subsidiary for lubricants in 1997 to sell lubricants and finished lubricants to automakers
SK Pharmteco (AMPAC) Operates a production plant for small-molecule active pharmaceutical ingredients (APIs) (equipped with facilities specialized in producing highly energetic chemistries)
SK Trading International Established the foundation for, and engages in, crude oil trading in Americas

⑨ VIRGINIA
SK Telecom Founded a joint venture, Cast.era, with Sinclair Broadcast Group, one of the largest TV broadcasting companies in the U.S. to capture the ATSC 3.0 market in the U.S.
SK Pharmteco (AMPAC) Operates a production plant for small-molecule APIs (equipped with facilities that can produce HPAPI and controlled substances)

⑩ BRAZIL
SK Networks Carries out market trend research & intelligence activities and trades chemical materials and steel products

⑪ ECUADOR
SK Ecoplant Completed the project to modernize the oil refinery in Esmeraldas

⑫ ALBERTA
SK Ecoplant Completed the project to construct an oil sands plant in Fort Hills

⑬ QUEBEC
SK Inc. Invested in the Canadian fashion brand Mackage

EUROPE

With Hungary and Poland as the main production base, SK is responding to the global demand for EV batteries, while proactively securing competitiveness in global development and distribution of new drugs by forming partnerships with key biopharmaceutical companies.

● Energy · Chemicals ● ICT ● Semiconductor · Materials ● Logistics · Services · Bio



① BELGIUM
SK Ecoplant Carried out a FEED project for the propane dehydrogenation (PDH) unit of Ineos

② FRANCE
SK Inc. Acquired Yposkesi, a CMO with cell and gene therapy technologies
SK Siltron Opened the European office in 2003 and has been operating a silicon wafer business that supplies leading-edge wafers to European semiconductor manufacturers
SK Chemicals Signed an agreement to jointly develop and commercialize an innovative pneumococcal conjugate vaccine (PCV) with Sanofi Pasteur, the world's largest company devoted to vaccines
SK Geo Centric Operates the functional polyolefins business acquired from Arkema in 2020
SK Pharmteco (Yposkesi) Operates a cell and gene therapy manufacturing facility and a R&D center (process development & analytics)

③ GERMANY
SKC Established a base for global marketing for chemical and film products
SK Networks Carries out market trend research & intelligence activities
SK Chemicals (SK Chemicals GmbH) Carries out marketing for high-performance copolyester resins and engineering plastics

④ HUNGARY
SK Innovation Began commercial production of Battery Plant 1 in 2019 and is in the process of constructing Plant 2 with investment in Plant 3 planned

⑤ IRELAND
SK Pharmteco (SK Biotek Ireland) Operates the HQ for the European operations and runs manufacturing plants for small-molecule APIs as well as R&D centers

⑥ ITALY
SK Biopharmaceuticals Partnered with Angelini Pharma to commercialize cenobamate in 41 European countries and launched two new innovative drugs (cenobamate and solriamfetol) in Europe

⑦ NETHERLANDS
SK Lubricants Founded a sales subsidiary for base oil in 2008 and has been distributing base oil in Europe

⑧ POLAND
SK ie technology Plans to begin commercial production of lithium-ion battery separators during the second half of 2021

⑨ RUSSIA
SK Lubricants Founded a Moscow subsidiary in 2006, which was converted to a sales subsidiary in 2014 to sell finished lubricants tailored to the needs of Russia and other CIS countries

⑩ SPAIN
SK Geo Centric Operates a plant in Spain for ethylene acrylic acid (EAA), acquired from Dow Chemical in 2017
SK Lubricants Built a plant for base oil in Spain in partnership with the global energy company Repsol and has been commercially producing premium lube base oil since 2014

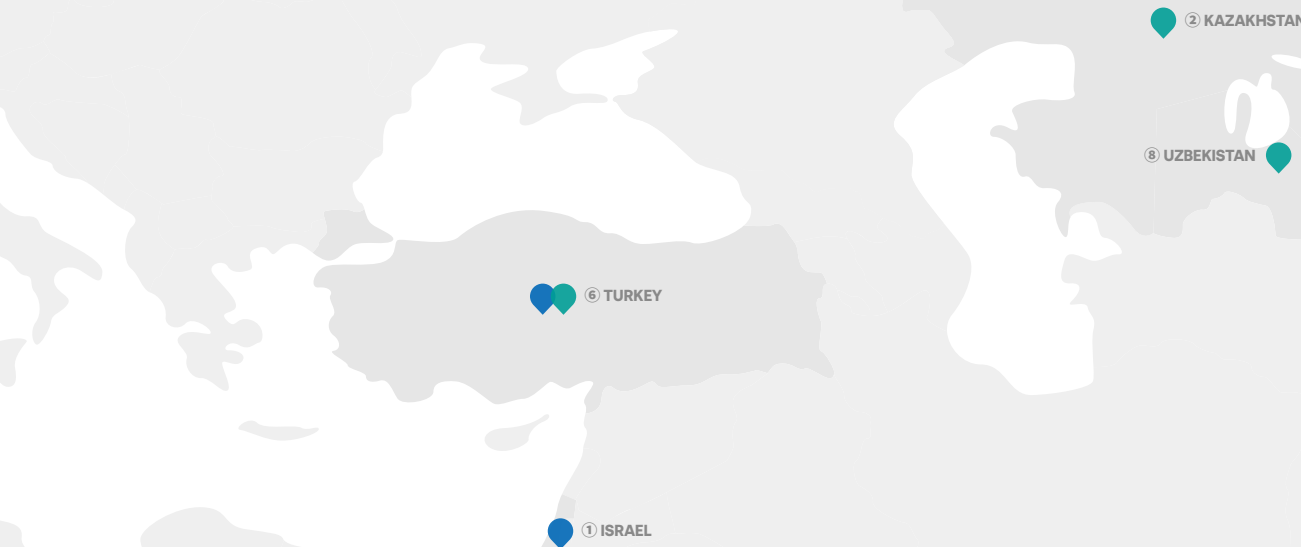
⑪ SWITZERLAND
SK Telecom Leading the way to foster the ecosystem for quantum cryptography communications together with its affiliate ID Quantique (IDQ), the world leader in quantum-safe cryptography solutions

⑫ UNITED KINGDOM
SK Ecoplant Has been carrying out the Silvertown Tunnel project in London
SK Trading International Provides a trading service by leveraging on the North Sea crude oil to meet the demand for petroleum in Asia / Built the foundation for, and has been implementing, a freight business

MIDDLE EAST & NORTH AFRICA

SK is seeking to diversify its business by tapping not only into the energy and construction sectors but also into ICT and commerce platforms in the Middle East and Africa.

● Energy · Chemicals ● ICT ● Semiconductor · Materials ● Logistics · Services · Bio



① ISRAEL
SK Inc. Invested in Otonomo, a vehicle data collection services and platform provider

② KAZAKHSTAN
SK Ecoplant Invested in the Big Almaty Ring Road project

③ KUWAIT
SK Ecoplant Carried out a project to modernize the electrical substations and the Clean Fuel Project

④ OMAN
SK Innovation Jointly established Korea LNG Limited (KOLNG) in 1997 in Bermuda and participated in the O LNG project

⑤ QATAR
SK Innovation Founded the KORAS in 1999 in Bermuda and participated in the Ras Laffan LNG project
SK Ecoplant Carried out a construction project for the Doha Metro Red Line

⑥ TURKEY
SK Ecoplant Completed the project for construction of the underwater tunnel in the Bosphorus strait and the BOT project for the Malacca-Canakkale highway
SK Planet Operates the largest online marketplace (n11.com) in Turkey, leading the e-commerce market in the country

⑦ UNITED ARAB EMIRATES
SK Networks Carries out market trend research & intelligence activities and trades chemical materials and steel products
SK Ecoplant Carries out the Al Mondous oil storage site project
SK Trading International Trades crude oil and petroleum products

⑧ UZBEKISTAN
SK Ecoplant Carries out a FEED project to modernize the Bukhara oil refinery

③ KUWAIT
⑤ QATAR
⑦ UNITED ARAB EMIRATES
④ OMAN

SK PROFILE

SK goes beyond delivering on the growth strategy driven by financial performance and creates new corporate value based on the trust and understanding of its stakeholders despite the unpredictable business environment.

SK Inc.

ENERGY · CHEMICALS

ICT

SEMICONDUCTOR · MATERIALS

LOGISTICS · SERVICES · BIO





SK Inc.

SK Inc.

Business Areas
Investment areas of SK Inc. : Advanced materials, biopharmaceutical, green, and digital
SK Inc. C&C : Digital platforms (AI, cloud, big data, and blockchain, and etc.), IT outsourcing, application development

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Revenue for 2020 (Unit: USD)

2.9 billion
* Consolidated: 69.3 billion

SK Inc. became a holding company in August 2015 through its merger with SK C&C and has since continued to improve its governance, enhance the shareholder value, and boost external credibility. SK Inc. is also enhancing its competitiveness, underpinned by the investment division that identifies and develops future growth engines based on continuous business portfolio innovation and the business division that provides IT services. In 2021, SK Inc. declared its commitment to transforming itself into a “Sophisticated Value Investor that can contribute to a sustainable future” and continues its proactive investments in business areas for future and innovation of existing business portfolios.

SK Inc. C&C has achieved outstanding IT service business performance across all industries, including telecommunications, finance, manufacturing, and service, and based on this success, it has built technological capabilities in IT of the highest quality in Korea and strong brand awareness. Since the company declared its transformation as a “leader in digital transformation” in 2016, SK Inc. C&C has been leading transformation in various industries such as telecommunications, finance, manufacturing, and distribution based on key digital technologies such as AI, cloud, and big data. With a new goal for 2021 to become a “Total Digital Transformation Partner” that leads the digital transformation of customers and society, SK Inc. C&C is working towards enterprise-level transformation.

Business Highlights

SK Inc. has made bold investments in key business sectors for future, achieving various successful outcomes. For instance, SK Inc. drew much attention in 2020 for its unparalleled moves in the biopharmaceutical sector with the successful IPO of SK Biopharmaceuticals and launch of SK Pharmteco, the global HQ of CMO. In the materials sector, the company secured a competitive business portfolio encompassing SK Materials and Wason, the world leader in copper foil. SK Inc. continues to work towards innovation of its portfolios, as showcased by its investment in Plug Power in 2021 for transition to green energy.

SK Inc. C&C is not only leading digital transformation of its customers, but is also spearheading the global digital market by providing industry-specific Hybrid/Multi-cloud services, AI platforms, and vertical solutions tailored to not only industry-specific but also customer-specific needs. “Cloud Z MCMP” has been applied to more than 200 projects within only five months of its platform upgrade, while four of the top five game companies in Korea are currently using Cloud Z’s “Multi Cloud Hub Zone.” In addition, “AccuInsight+ 2.0,” an AI integrated platform that provides complete support to the development of intelligent digital services for customers, is being used in various sectors including finance, manufacturing, distribution, and service.



New Growth Engines

SK Inc. is striving to build an investment ecosystem by selecting four key domains: Advanced Materials, Biopharmaceutical, Green, and Digital. In the domain of Advanced Materials, SK Inc. has gained a foothold in the market for key materials for semiconductors and batteries and is bolstering its global competitiveness by securing next-generation technologies.

In the domain of Biopharmaceutical, and specifically in the CMO industry, SK Inc. has established itself as one of the top five global small-molecule API manufacturers by building a global CMO V/C. For new drug development, SK Inc. plans to internalize technologies for innovative new drug development based on open innovation. In the domain of Green, the company plans to proactively establish a complete V/C for hydrogen and quickly transition to the eco-friendly turquoise hydrogen. In the domain of Digital, SK Inc. aims to upgrade itself as the “Digital Innovation Partner” for individuals and industries by integrating the AI capabilities across SK Group and building its technological capabilities through collaboration with global tech companies.

Multiverse, the integrated digital platform of SK Inc. C&C, supports agile transition to digital business of clients by providing digital service platforms specific to their respective business needs. SK Inc. C&C plans to create a corporate lab at its cloud data center in Pangyo to combine its integrated digital platform Multiverse with Google Cloud and turn its digital transformation model that has been provided to corporate clients in various industries in Korea into SaaS (Software as a Service) to tap into the global market. The SaaS solution will address the areas of customer analysis and smart pricing in distribution; market sensing in finance; provision of platforms for new drug development and medical AI in healthcare; sales quality assurance to prevent incomplete sales; and provision of underwriting advisor service in insurance.



ESG Management

Having proclaimed itself as a Sophisticated Value Investor, SK Inc. is committed to reforming its business portfolio with a focus on the four key domains rooted in ESG in order to achieve sustainability, one of the key values of our time. It is also further promoting “responsible management centered around the board of directors” in order to build a process where a board of directors equipped with independence and expertise of the top global standard can serve the company better as the actual decision-making body of the organization. SK Inc. is also determined to leverage on its investment expertise and capabilities to promote the ecosystem for impact investing by discovering and supporting social enterprises with the ability to address societal problems and equipped with a business model with growth potential.

SK Inc. C&C runs a digital SHE (safety, health, environment) service using AI, cloud, and big data, an AI-based service for strengthening the social safety net, and “Smart IT Advanced Training (SIAT),” a program to train and employ young ICT professionals with disabilities. In addition, SK Inc. C&C works in partnership with the blockchain company Lambda256 to build a blockchain-based social safety net designed to serve communities in need in the midst of the Covid-19 pandemic. The company collaborates with Community of Chest of Korea to promote the introduction and wider adoption of the app “Hangarae,” which aims to generate social value.





ENERGY · CHEMICALS

SK innovation

Business Areas
Exploration & production, batteries,
and future energy sources

www.skinnovation.com
SK Building, 26 Jong-ro, Jongno-gu, Seoul
02-2121-5114

Revenue for 2020 (Unit: USD)
3.2 billion
* Consolidated: 29 billion

SK Innovation is an energy and chemicals company that focuses on batteries and exploration & production (E&P). It currently has six subsidiaries: SK Energy, SK Geo Centric, SK Lubricants, SK Incheon Petrochem, SK Trading International, and SK ie technology. Since becoming the first company in Korea to win an overseas E&P project (the Marib blocks in North Yemen) in 1984, SK Innovation has been actively engaging in E&P business in countries such as Vietnam and the United States, and is providing high energy density EV batteries to global automakers.

Business Highlights
In January 2021, SK Innovation decided to invest in building the third European EV battery plant with an annual production capacity of 30GWh in Ivánca, Hungary. In May 2021, the company announced its decision to partner with American automaker Ford to launch a joint venture to produce EV battery cells. Named “BlueOvalSK,” the joint venture will produce approximately 60GWh annually in EV battery cells and modules in the U.S., starting around 2025. SK Innovation will continue to invest in the global market to advance itself as a leader in the battery industry.

New Growth Engines
SK Innovation is the first company in the world to have commercialized batteries with NCM622 and NCM811 cathode materials and is also the first company in the world to have developed batteries using NCM9½ cathode materials, currently slated for commercialization in 2022, leading the technological trends in the battery market around high energy density, high nickel content, and low cobalt content. The company is also directing its capabilities towards developing all-solid-state batteries, which are emerging as the next-generation battery and often known as lithium metal batteries, to prepare itself for the future of the market.

ESG Management
2021 will serve as the landmark year for SK Innovation, faced with waves of change, to lay the foundation for a sustainable future. SK Innovation is committed to transforming its business portfolio to become low-carbon and eco-friendly, ensuring all stakeholders are given an opportunity for happiness, and carrying out business activities that will provide solutions that the communities need. In addition, SK Innovation is determined to reinforce the decision-making system centered around the board of directors whose diversity and independence are guaranteed and ensure that the company is recognized as an organization equipped with the ESG business management structure of the highest quality in the world.



SK energy

Business Areas

Refining and sale of petroleum products
(oil, gas, specialty products, etc.)

www.skenergy.com

SK Building, 26 Jong-ro, Jongno-gu, Seoul
02-2121-5114

Revenue for 2020 (Unit: USD)

16.9 billion
★ Consolidated: 17.1 billion

SK Energy, a leading energy company in Korea, began as Korea Oil Corporation in 1962 as the first oil refinery in Korea and has since contributed to national economic development. Equipped with world-class facilities and operational competitiveness, the Ulsan refining complex can process up to 840,000 barrels of crude oil a day. The Company is continuously improving the speed and flexibility of the enterprise value chain in order to proactively respond to the price volatility of oil and petroleum products.

Business Highlights

Despite the recent Covid-19 pandemic, SK Energy continues to contribute to the stable domestic supply and export of its products through enhanced market analysis and projections. The company is also boosting customer satisfaction by offering customers EnClean Bonus Cards and discounts for fueling and charging vehicles through credit card partnerships, while providing differentiated services to customers through programs such as “Muffin,” a contactless car care service (fueling, cleaning, etc.) that is reflective of the contactless trend, and “NeTruck,” an integrated solution for cargo truck drivers. Thanks to such activities, SK EnClean has topped the Korea Brand Power Index, published by the Korea Management Association Consulting, for 23 consecutive years, one of many of its outstanding achievements in major surveys in customer satisfaction and brand awareness in Korea.

New Growth Engines

SK Energy is actively responding to the paradigm shifts in the energy and mobility industry, leveraging on the technological capabilities, operational optimization, and marketing infrastructure that it has built over the years as the leader of Korea’s refinery industry. Under the guiding principle of “Less Carbon, More Green,” the company is determined to accelerate its transition into an eco-friendly business by focusing its enterprise capabilities on efforts such as development of an eco-friendly energy solution platform.

ESG Management

SK Energy is in the process of establishing its Carbon Net Zero Roadmap as part of its effort to achieve “Green Balance 2030.” To that end, the company has fully transitioned to LNG to operate Ulsan CLX and is currently working on introducing a procurement process for raw materials (crude oil) that factor in CO₂ emissions. The company also continuously makes various other efforts to reduce carbon emissions, such as industry-first production of premium warm mix asphalt that aims to reduce hazardous chemicals and expanding its green product portfolio by launching recycling-exclusive asphalt in 2020.



SK geo centric

Business Areas

Chemical materials

www.skglobalchemical.com

SK Building, 26 Jong-ro, Jongno-gu, Seoul
02-2121-5114

Revenue for 2020 (Unit: USD)

5.8 billion
★ Consolidated: 7.2 billion

Having started operation of Korea’s first naphtha cracker in 1972, SK Geo Centric has led the development of Korea’s chemical industry through continuous facility investment, ceaseless R&D, and technological advancement. SK Geo Centric continues to grow as a global chemical company through partnerships with leading players in and outside the region, providing solutions that meet a wide range of customer needs across the basic chemicals and polymer business, which provides raw materials for household supplies, electronics, construction, and textiles; the high value-added automotive materials; packaging materials; and plastic recycling.

Business Highlights

SK Geo Centric continuously carries out strategic M&A to evolve as a global leader in the materials industry. In 2017, the company acquired the American company Dow Chemical’s high-value packaging material brands, Primacor™ and Saran™—widely used for aseptic packaging, laminated tube packaging, and meat packaging—and acquired the French company Arkema’s functional polyolefins business in 2020 to secure the core materials for multi-layer packaging films, thus bolstering its competitiveness. SK Geo Centric also acquired equity stakes in companies that offer recycling technologies, starting with the Canadian company Loop Industries in 2011, followed by SuperBin and Eco Creation, building the foundation for a circular economy for plastics.

New Growth Engines

SK Geo Centric aspires to grow as a global eco-friendly materials company. The company promotes proper plastic recycling through the development of technology to transform plastics into resources while continuing to operate a high-performance material-enabled green business that helps reduce raw material usage and develops as well as introduces renewable materials and raw materials. SK Geo Centric will continue its efforts for a sustainable future by developing diverse technologies, discovering businesses, and forging partnerships across the product lifecycle of production, use, and disposal of plastics and the entire plastic value chain.

ESG Management

SK Geo Centric’s transition as an eco-friendly business was acknowledged when it became the first company in the global petrochemical industry to acquire the highest rating (AAA) in 2021 according to the UN’s GRP. In 2020, the company also became the first in the industry to be awarded the highest rating for eight consecutive years in the Shared Growth Index Evaluation, published by the National Commission for Corporate Partnership. SK Geo Centric launched the Shared Growth Fund to support its business partners, and since 2013, it has been organizing the “SK Job Fair for Shared Growth” to help small- to medium-sized partners attract top talent. The company also engages in technological collaboration to create mutually-beneficial synergy with its partners.



SK lubricants

Business Areas

Production and sale of lubricants and lube base oil

www.sklubricants.com

SK Building, 26 Jong-ro, Jongno-gu, Seoul
02-2121-6114

Revenue for 2020 (Unit: USD)

1.8 billion

* Consolidated: 2.3 billion

SK Lubricants specializes in manufacturing and selling eco-friendly lubricants with high fuel efficiency and premium base oil. Having been the leader in the lubricant market in Korea since 1968, SK Lubricants predicted the growth of premium base oil market early on and expanded its production capacity by starting the operation of the plant for VHVI (Very High Viscosity Index) base oil in 1995 and has since cemented its position as the global No. 1 manufacturer of premium base oil by establishing an overseas network and joint ventures.

Business Highlights

SK ZIC, SK Lubricants' signature brand, has topped the Korea Brand Power Index (K-BPI) for 23 consecutive years. In October 2020, the company launched "SK ZIC ZERO," Korea's first eco-friendly engine oil line that uses recycled containers and single material packaging. As the demand for EV lubricants rises driven by the expanding market for green vehicles, SK Lubricants has launched lubricants for hybrid and electric vehicles to proactively respond to the market changes. SK Lubricants will continue to develop sustainable business models and eco-friendly technologies to achieve the vision of "Make It Move, Make It Green."

New Growth Engines

SK Lubricants is solidifying its presence as a special fluid supplier in the era of EVs and new and renewable energy. The company is expanding the market through its proactive development of lubricants for EVs, while focusing its research on oil-based battery thermal management. Supported by its existing capabilities, SK Lubricants will continue to work towards securing leadership in the market as the "global top player" that provides base oil and lubricants of the highest quality and ensure that its value is recognized in the market.

ESG Management

SK Lubricants is dedicated to building an eco-friendly circular economy across its entire value chain. The company has built a product portfolio that is centered around eco-friendly Group-III base oil and low-viscosity engine oil that contribute to reducing the greenhouse gas emissions. In addition, it is the first company in the world to carry out research on developing a technology to manufacture recycled Group-III base oil to protect the ecosystems through recycling of resources and is now using eco-friendly containers made of recycled plastics for a wider range of its products. The company is leading the way for creating greener ecosystems by collaborating with logistics companies to expand the eco-friendly engine oil market.



SK incheon petrochem

Business Areas

Production of petroleum and petrochemical products

www.skincheonpetrochem.com

415 Bongsu-daero, Seo-gu, Incheon
032-570-5151

Revenue for 2020 (Unit: USD)

3.5 billion

SK Incheon Petrochem is Korea's leading energy and chemicals company that places the environment at the center of its business operations. Located in the city of Incheon, the gateway to Korea and one of the three major cities in the country, the company has played a crucial role in supplying energy to the country's capital and its metropolitan areas to lay the foundation for national and regional economic development.

Business Highlights

Being acquired by SK Innovation in 2006, SK Incheon Petrochem has since enhanced its competitiveness and was rebranded under the current name in 2013. In July 2014, the company invested USD 1.4 billion in upgrading its production facilities for paraxylene, an ingredient for PET and synthetic fibers, to diversify its business with high value-added products. Today, the company is building the highest productivity through fast and flexible decision-making, diversification of raw material sourcing channels, and integrating the oil refining and chemical processes for maximum synergy. The company has defined "SHE (safety, health, environment) First Business Management" as the top priority, striving for zero-accident and environment-centered business operations. Since 2006, it has invested approximately USD 339 million in SHE to provide a safe workplace for the employees and earn the trust of the local communities.

New Growth Engines

SK Incheon Petrochem is working towards building "Digital SHE" by incorporating new technologies of the Fourth Industrial Revolution such as AI, big data, machine learning, and drones into the SHE management system, aiming to build an innovative SHE model of the highest global standard. The company will continue to work on the "Digital SHE" platform to create new business models based on eco-friendly SHE.

ESG Management

SK Incheon Petrochem is determined to secure competitiveness and evolve as a leader in eco-friendly business operations by minimizing the negative impact of carbon emissions from the traditional oil refining and petrochemical businesses and transitioning to a business model centered on environment and technology. To do so, the company is maximizing the efficiency of operating its assets, improving energy efficiency of its businesses, and using waste heat and recycled water. Simultaneously, it is continuously identifying and implementing new business models that are "technology-intensive and differentiated"—building a production base that uses byproduct hydrogen obtained from the manufacturing process to provide hydrogen to the Seoul metropolitan area and developing waste water solutions enabled by microorganisms and AI.



SK trading international

Business Areas
Trading of crude oil and petroleum products
www.skinnovation.com/company/trading.asp
SK Building, 26 Jong-ro, Jongno-gu, Seoul
02-2121-5114

Revenue for 2020 (Unit: USD)
5.3 billion
* Consolidated: 17.2 billion

SK Trading International was launched in 2013 as a trading company specializing in crude oil and petroleum products. It has built the trading capabilities that set it apart from its competitors in the global markets, contributing to improving the value of the oil business by optimizing import and export of oil. The company is building and expanding its trading platform differentiated by its tangible and intangible strengths built over the years in oil trading hubs such as Singapore, Europe, North America, and the Middle East, while attracting and training globally competitive professional traders.

Business Highlights
SK Trading International recorded strong financial performance in 2020 despite the deteriorating business environment due to Covid-19. The company was able to maximize its earning power through bold and decisive innovation of its business model based on its capabilities for market trend analysis and forecasting in the midst of plunging global trade volumes and sluggish economic activities. The company is also safeguarding its business sustainability by flexible response to trading risks and upgrading its management system.

New Growth Engines
SK Trading International is eyeing Southeast Asia as the next region for growing demand for oil. Myanmar, in particular, is emerging as the next global production base and has the potential to evolve into a consumer market. In July 2019, SK Trading International and SK Energy jointly acquired a 35% stake in Myanmar’s second largest oil distribution group BOC. Having further solidified SK’s presence in the Southeast Asian market with this move, SK Trading International is actively searching for ways to secure sustainable growth in Myanmar and expand its footprint in the neighboring countries.

ESG Management
With the growing demand for “More Green” across society, there are increasingly more opportunities to try new business models. Trading, in and of itself, is a carbon-neutral business, but SK Trading International is leading the way in creating a “green business” ecosystem to build more concrete business models by coordinating with, and connecting, various stakeholders as the demand increases for stronger environmental regulations and more consumers turn to low-carbon fuels.



SK ie technology

Business Areas
Production and sale of materials for lithium-ion battery separators and flexible displays
www.skietechnology.com
SK Building, 26 Jong-ro, Jongno-gu, Seoul
02-2121-5114

Revenue for 2020 (Unit: USD)
390 million
* Consolidated: 397.7 million

SK ie technology is evolving into a top-tier global provider of materials solutions thanks to the competitive advantage of its differentiated technologies. Split off from SK Innovation in April 2019 to strengthen the business expertise, SK ie technology currently manufactures and distributes lithium-ion battery separators (LiBS), a core material for lithium-ion batteries, and flexible cover windows (FCW), a material for flexible displays used in products such as foldable phones.

Business Highlights
Since developing the first independent technology in Korea to produce LiBS, SK ie technology has been producing high-quality battery separators based on its technological edge over its competitors, evidenced by its record of becoming the first in the world to complete the sequential stretching process, developing 5µm-thin film products, and commercializing simultaneous double-sided coating. The domestic production lines are located in Jeungpyeong and Cheongju in Chungcheongbuk-do, while global commercial production capacity is expected to expand in China and Poland to act ahead of the growing global demand. Meanwhile, the company began its commercial production of FCW in 2020 with the FCW products being supplied to global smartphone manufacturers. FCW was

recognized for its global competitiveness when it was selected as an Honoree of the “2021 CES Innovation Awards” at the world’s largest consumer electronics and IT expo CES.

New Growth Engines
SK ie technology is actively expanding its LiBS production capacity in Changzhou, China and Slaskie, Poland in order to gain an early foothold in China and Europe, two of the fastest-growing EV battery markets in the world. SK ie technology will continue to strive to evolve as a “global top-tier materials solution provider” by increasing its production capacity through global subsidiaries and strengthening its global networks.

ESG Management
SK ie technology contributes to reducing greenhouse gas emissions as an EV battery separator producer. The company not only strives to produce eco-friendly products, but it also aspires to achieve “zero waste” in the production process, transitioning 100% to eco-friendly energy sources to power its production facilities in Korea and Poland in 2021. The company is committed to leading the way in eco-friendly business management by eliminating not only greenhouse gas emissions, but also all liquid and solid waste created in the process of producing its products.



SK discovery

Business Areas
Chemicals, energy, pharmaceuticals, bio,
new & renewable energy, and real estate

www.skdiscovery.com
332 Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do
02-2008-7399

Revenue for 2020 (Unit: USD, Consolidated)

3.8 billion

SK Discovery is a holding company of operating companies such as SK Chemicals and SK Gas. It was officially launched in 2017 as the result of SK Chemicals spinning off the surviving entity, SK Discovery, and the chemicals and pharmaceuticals operating company, SK Chemicals. The restructuring enabled SK Discovery to concentrate on management of its subsidiaries and upgrading their business portfolios. As of today, SK Discovery owns sub-subsidiaries including SK Chemicals, a provider of eco-friendly materials and total healthcare solutions; SK Gas, a provider of eco-friendly total energy solutions; SK Bioscience, a developer and producer of vaccines and also the parent company of SK Plasma, a producer and supplier of plasma-derived medicines; and SK D&D, a developer of real estate properties as well as new and renewable energy.

Business Highlights
SK Discovery supports each of its operating companies in formulating and actively executing new growth strategies particular to the nature of their respective business as well as creating customer value that aligns with their respective vision and mission. SK Discovery also implements and further advances SKMS, the unique value and corporate culture of SK.

New Growth Engines
SK Discovery, together with its operating companies, is in the constant pursuit of enhancing the value of SK by ensuring the continued success in existing areas of business such as eco-friendly materials, vaccines and new drugs, and eco-friendly energy, while actively exploring new opportunities in eco-friendly business, pharmaceuticals, and bio business.

ESG Management
As part of its environment-oriented business management, SK Discovery is driving the eco-friendly energy development business of SK Gas and promoting the hydrogen economy, while supporting SK Chemicals in expanding its recycled plastic business, which aims to reduce plastic waste, and its bio materials business to expand the green business portfolio. As a holding company, SK Discovery also practices transparent business management centered around the board of directors. To this end, the company has adopted the Corporate Governance Charter, which outlines the general direction and principles of the company’s corporate governance, and established the HR committee and the ESG committee under the board of directors to continue to focus on establishing corporate governance of a global leader’s standards.



SK chemicals

Business Areas
Green chemicals (chemicals) and life science
(pharmaceuticals and bio)

www.skchemicals.com
310 Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do
02-2008-2008

Revenue for 2020 (Unit: USD)

780.6 million
* Consolidated: 1 billion

Since its foundation as Sunkyong Synthetic Textiles in 1969, SK Chemicals has evolved into one of the leading chemical and life science companies in Korea through ceaseless efforts for change and innovation. The company operates the green chemicals business and the life science business. With a focus on eco-friendly materials and healthcare identified as the next growth engines, SK Chemicals is strengthening its capabilities in these areas.

Business Highlights
SK Chemicals is considered one of Korea’s leaders in the eco-friendly material industry for the unparalleled technological strengths of its green chemicals business in producing transparent and heat-resistant copolyester. The company also heavily engages in R&D for the rapidly-growing advanced materials, including engineering plastics and carbon materials. The life science business, armed with a high level of expertise and efficiency, has been contributing to SK Chemicals’ rising status as a global life science company that provides various solutions ranging from disease prevention to treatment based on its continuous R&D and investment in pharmaceuticals, vaccines, and plasma-derived medicines. For its pharmaceutical business, SK Chemicals also collaborates with reputable pharmaceutical companies in and outside Korea to introduce new products into the product portfolio and expand its pipeline for continuous growth.

New Growth Engines
The green chemicals business of SK Chemicals commercialized ECOTRIA R series, a product line of semicrystalline copolyester blends, containing 30~70% of post-consumer recycled materials. For the life science business, SK Chemicals continuously pursues in-licensing deals to acquire technologies for promising products in and outside Korea and forms marketing alliances, while also partnering with a Korean AI company to develop an AI-driven investigational new drug, in an effort to broaden its portfolio of new products.

ESG Management
SK Chemicals strives to contribute to reducing greenhouse gases by decreasing the fossil fuel consumption and transitioning to an eco-friendly business portfolio. To address environmental problems created by plastic waste, the company developed a copolyester product made of recycled raw materials and launched “ECOPROL,” a 100% bio-based, eco-friendly polyol. In addition, the company ensures thorough management of raw materials and chemicals used for its products throughout the production and R&D processes in order to minimize their impact on the environment and people.



SK gas

Business Areas
LPG marketing, global LPG trading, tank terminals, gas chemical (PDH · PP), LNG and power generation, and hydrogen energy

www.skgas.co.kr
332 Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do 02-6200-8114

Revenue for 2020 (Unit: USD)

3.1 billion

★ Consolidated: 3.7 billion

SK Gas was founded in 1985 and currently has the largest market share in the domestic LPG market. With the world’s largest LPG storage facilities and nationwide distribution network, SK Gas provides a stable supply of LPG for various purposes, including automobile, residential and commercial, industrial, and petrochemicals. The company is enhancing its competitiveness by increasing the demand for LNG for vehicles, creating new demand, and spearheading the market for small-scale storage tanks and is expanding its global trading business through its overseas network based in Singapore and Houston, U.S. to carry out overseas LPG businesses.

Business Highlights
In December 2020, SK Gas launched “wego,” an AI-based propane gas distribution platform. The platform offers IT-based operational efficiency and cost saving for propane filling business operators, while benefitting end consumers by providing convenience and trust in safety. In 2021, SK Gas completed the vertical integration of its value chain that encompasses propane-propylene-polypropylene through the commercial operation of polypropylene (PP) plant in the city of Ulsan, stepping up as a global gas chemical company.

New Growth Engines
SK Gas is diversifying its business into LNG, power generation, and hydrogen energy. The company is currently building an LNG/LPG combined cycle power plant in Ulsan GPS, aiming to begin its commercial operation by the end of 2024. It is also planning to build an LNG terminal called the Korea Energy Terminal (KET) to directly supply LNG to fuel the power plant at Ulsan GPS. SK Gas is determined to continue to diversify its business successfully to evolve as a “Global Top-tier Eco Energy Total Solution Provider.”

ESG Management
SK Gas is continuously working on transitioning to LPG to reduce air pollutants and greenhouse gas emissions. In the mid to long term, SK Gas aims to build an LNG infrastructure for distributed power generation, develop and build a supply infrastructure for hydrogen and hydrogen fueling stations, and create solutions for energy efficiency, continuing to evolve into an eco-friendly energy solution provider that can make direct and indirect contributions to addressing environmental problems.



SKC

Business Areas
Mobility, semiconductors, and eco-friendly specialty materials

www.skcc.kr
Block B, The K Twin Towers, 50 Jong-ro 1-gil, Jongno-gu, Seoul 02-3787-1234

Revenue for 2020 (Unit: USD, Consolidated)

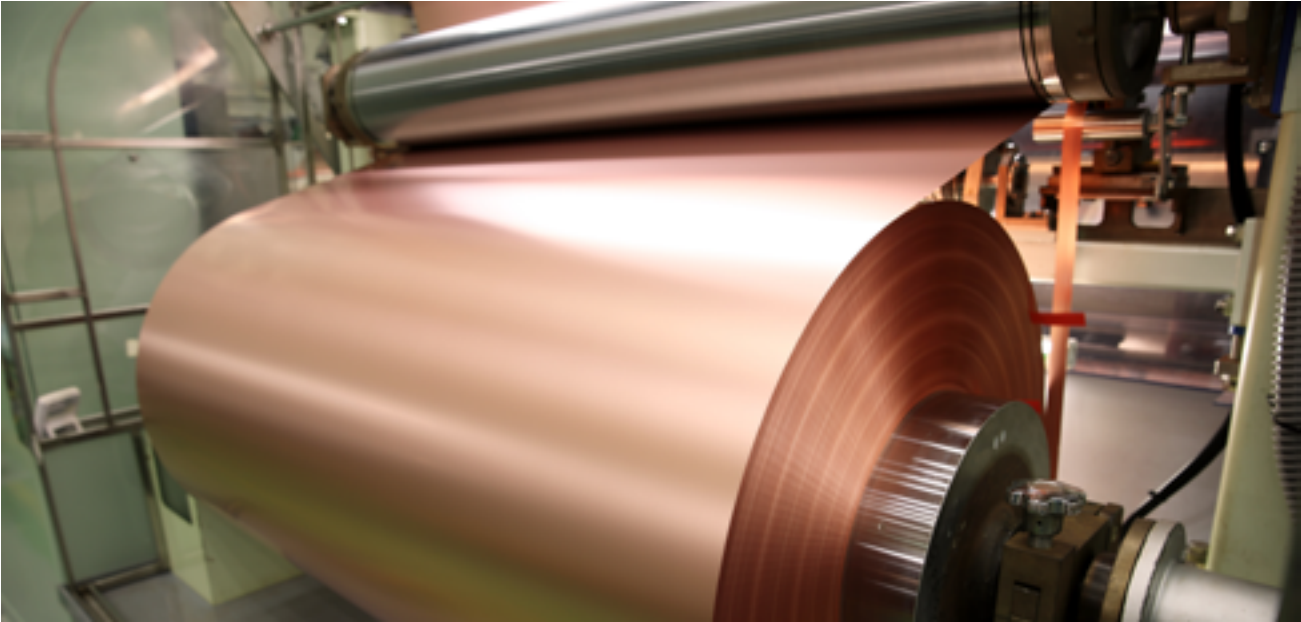
2.3 billion

SKC specializes in a variety of materials, and since founded in 1976, has continued to help clients sharpen their competitive edge through embracing challenges and innovation. In 2016, which marked its 40th anniversary, SKC declared its new vision to become a “Global Specialty MARKETER.” It represents the company’s determination to become an industry leader that identifies market trends and provides high value-added specialty products that offer more than clients’ needs. SKC has been evolving as a provider of high value-added materials with a focus on mobility, semiconductors, and eco-friendly materials.

Business Highlights
SKC celebrated a fruitful year in 2020, when its commitment to implementing Deep Change resulted in tangible outcomes. In January 2020, the company entered EV business by launching “SK Nexilis,” a producer of copper foil with global technology leadership. Cooper foil is a key component of EV batteries. In February, SKC built a foundation for its growth in the global market by spinning off its chemical business division to launch a joint venture called “SK Picglobal,” and in December, acquired a 100% stake in SKC Solmics to consolidate its semiconductor businesses to accelerate growth.

New Growth Engines
In 2021, SKC declared its commitment to a complete transformation into a “specialist in green mobility materials and components.” SKC plans to secure top global market dominance for its copper foil business through capacity expansion in overseas markets and continues to search for opportunities for new green mobility materials. It also aims to upgrade the business model for chemical and industrial materials to be ESG-centered for sustainable growth. SKC will stay focused on its goal to become an industry leader in green mobility materials and components by enhancing its corporate value through Deep Change and delivering new value to its customers.

ESG Management
Marking 2021 as the start of ESG business management, SKC plans to enhance its corporate governance up to global standards and establish committees for ESG, HR, and related-party transaction to better incorporate ESG into its business. The company also set a long-term goal to achieve net zero carbon emissions and plastic waste to pursue mutual growth with society. To this end, SKC will expand the materials business that reduces carbon emissions such as smart window films and adopt RE100 for its new business operations to contribute to carbon reduction.



SK E&S

Business Areas

Eco-friendly energy business including hydrogen, new & renewable energy, and energy solutions and LNG-based business including power, city gas, and district energy

www.skens.com

SK Building, 26 Jong-ro, Jongno-gu, Seoul
02-2121-3114

Revenue for 2020 (Unit: USD)

511.3 million

* Consolidated: 4.9 billion

SK E&S operates a future energy business including hydrogen, touted as the next-generation green energy source, new & renewable energy, and energy solutions along with a traditional energy business encompassing LNG, power generation, and city gas. Founded in 1999 as the holding company of its city gas business, SK E&S was the first company in the domestic private sector to complete an LNG value chain. The company operates LNG power plants for a stable domestic supply of electricity and has the largest market share in city gas supply. In 2021, SK E&S announced its full-fledged commitment to the hydrogen business, which is emerging as the next-generation green energy.

Business Highlights

In September 2020, SK E&S won a license to operate a “200MW floating solar power plant in Saemangeum,” rising as the largest floating solar power generator in the private sector. With the project as a springboard, SK E&S plans to grow as Korea’s largest and leading eco-friendly energy company. In January 2021, SK E&S partnered with SK Inc. to acquire a 9.9% stake in the global hydrogen market leader Plug Power, becoming its largest shareholder, and the company also plans to enter the Asian hydrogen market. In March 2021, SK E&S revealed its blueprint for “Plan for SK’s Hydrogen Business.” Starting from 2023, SK E&S will annually produce 30,000 tons of liquefied hydrogen, the largest amount in the world, to be supplied to the Seoul metropolitan area. Starting

from 2025, the company also plans to annually produce 250,000 tons of clean hydrogen near its Boryeong LNG terminal by eliminating CO₂ from LNG for nationwide distribution.

New Growth Engines

In the period of energy transition, SK E&S is ready to embrace new challenges with a new vision for its identity, represented as “Join Eco, Be Energy, and Make Origins.” SK E&S will stay committed to growing into a major global player in the eco-friendly energy business that provides a stable and efficient supply of eco-friendly energy as a part of the ESG ecosystem and breaks new ground in the energy industry.

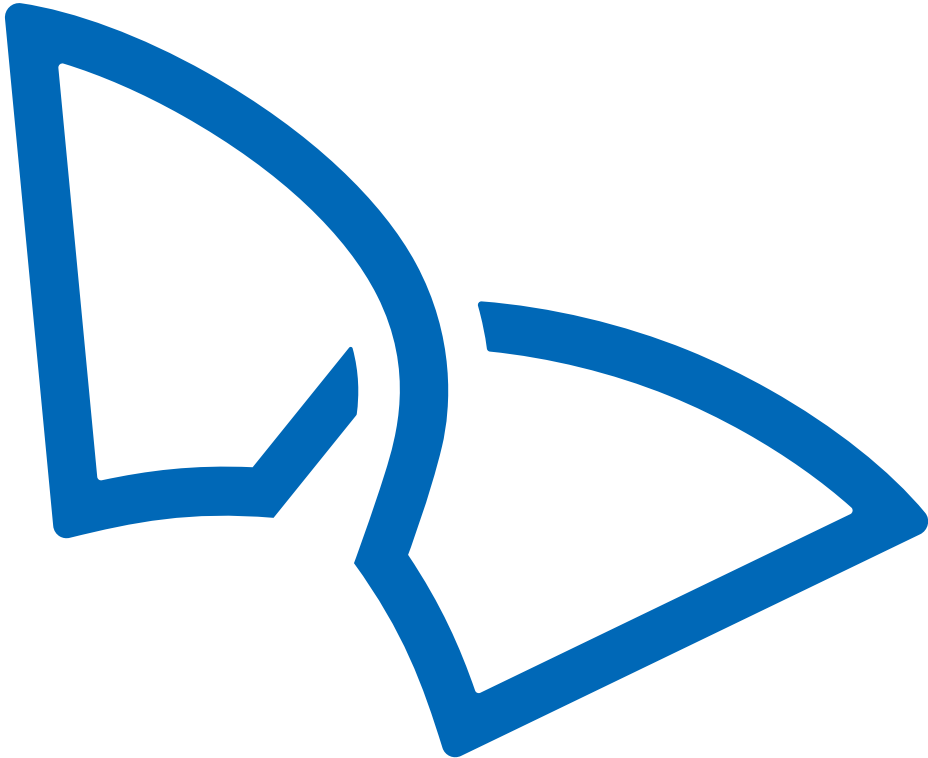
ESG Management

SK E&S is set to produce eco-friendly and low-carbon LNG at the Barossa-Caldita offshore gas field in Australia using the carbon capture & storage technology and use the generated LNG to produce clean hydrogen. The company also signed an MOU with the Ministry of SMEs and Startups for its “Voluntary Business for Win-win Relationship 2.0” program to support small business owners and SMEs in their transition to carbon neutrality and ESG management. SK E&S is also leading the way in implementing ESG management through various efforts such as “Local:Rise Gunsan” project, designed to promote mutual growth with local communities, and raising USD 300 million in a green loan (green finance) for its eco-friendly business.



SK drives future economic and social prosperity with sustainable energy solutions





ICT

SK telecom

Business Areas
Wired and wireless communications, security, commerce, and platform services

www.sktelecom.com
SK T Tower, 65 Eulji-ro, Jung-gu, Seoul
02-6100-2114 / 02-2121-5114

Revenue for 2020 (Unit: USD)
10 billion
* Consolidated: 15.8 billion

As Korea’s leading “New ICT company,” SK Telecom has been a driver of innovation in the mobile industry. Starting with the first-generation analog voice service in 1984, SK Telecom became the first company in the world to commercialize the second-generation CDMA service, the first in Korea to commercialize the third-generation of WCDMA service and fourth-generation LTE service. In 2019, SK Telecom became the first company in the world to commercialize 5G service, solidifying its position as the pioneer of the “Age of Hyper-Innovation,” enabled by 5G, by rolling out a wide range of services including 5G-based media services and games and 5G clusters that provide a premium network experience.

Business Highlights
Despite the global pandemic, SK Telecom recorded the highest consolidated financial performance to date in 2020 based on its increased leadership in 5G and the growth of its ICT affiliates. SK Telecom is driving rapid growth in 5G service with 5.48 million subscribers and market share of 46% as of the end of 2020, while continuously seeking to grow as an AI platform-based subscription service provider by expanding its line of subscription-based products such as “FLO,” “wavve,” cloud games, and “V Coloring.”

New Growth Engines
With a focus on AI, SK Telecom plans to organically connect its core MNO business with products and services of ICT affiliates in areas of media, security, commerce, and mobility, and also expand this integration to external partners to provide innovative customer experience. To this end, the company is committed to strengthening its new businesses such as cloud, data center, and subscription service and evolving into a life platform operator that offers convenience in every part of daily life through collaboration with its affiliates including ADT CAPS, 11Street, and T Map Mobility. In addition, SK Telecom is expanding its scope of investment partnership with top-tier domestic and overseas industry players to achieve meaningful outcomes in leading technologies for the future such as AI accelerators, digital X-rays, and quantum cryptography.

ESG Management
Striving to be an “ICT-based ESG company,” SK Telecom works towards sustainable growth of its value based on the trust of its stakeholders. Under this strategic objective, SK Telecom has been actively participating in, and collaborating with, various global initiatives—it became one of the first Korean companies to join RE100, a global initiative driving the transition to 100% renewable electricity by 2050, and the first Korean telecom company to declare its participation in the Science Based Targets initiative (SBTi).



SK broadband

Business Areas

IPTV, cable TV, high-speed internet, residential phone service, ICT total solution (B2B), and IDC

www.skbbroadband.com

SK Namsan Green Building, 24 Toegye-ro, Jung-gu, Seoul
02-6266-6100

Revenue for 2020 (Unit: USD)

3.1 billion

* Consolidated: 3.1 billion

SK Broadband is the first company in the world to commercialize ADSL and the first company in Korea to provide IPTV services, paving the way for the development of the telecommunications and broadcasting market. The company is evolving into a comprehensive media platform operator with the merger with T-Broad (multi system operator or MSO) in 2020 and the launch of Media S (multiple program provider or MPP). The company is enhancing the competitiveness of “B tv” with personalized services for its customers, while pushing for new business models by bolstering its media services, including the AI/DT-based personalization, expanding the digital advertising platform, and building a home entertainment platform. The company also focuses on upgrading its network capabilities based on communication infrastructure by participating in overseas submarine cable projects and expanding the next-generation internet data center (IDC) business.

Business Highlights

In the second half of 2020, SK Broadband recorded the highest net increase in the number of IPTV subscribers and the highest revenue to date thanks to the growth of its internet and B2B businesses. The company also posted consistent growth across its other businesses, including IDC, leased lines for businesses, and landline telephone service. SK Broadband topped the National Customer Satisfaction Index (NCSI) in IPTV and high-speed internet for the 11th year in a row, being recognized for its competitiveness once again.

New Growth Engines

SK Broadband is broadening its content value chain by ideating and producing differentiated content through the TV channel business of Media S. In addition, SK Broadband is pioneering the new media market by paving the way for the home entertainment platform business that provides a variety of content to customers and targeted digital advertising platform (addressable TV ad and localized advertising platform) business. SK Broadband is determined to continue to grow as the No. 1 media platform company by bolstering the foundation for expanding the DC business through IDC and increasing the B2B ICT market share in line with the Digital New Deal and the rapidly-growing contactless trend.

ESG Management

SK Broadband strives to be a sustainable media platform based on ESG principles. As part of the effort, the company obtained both ISO 14001 (environment) and 45001 (safety and health management) certification in June 2021 as the first company in the industry to do so, and is committed to achieving net zero by 2045 by actively using new & renewable energy. SK Broadband is also taking the initiative to contribute to addressing societal problems by leveraging on various media, including IPTV, CATV, and PP.

SK planet

Business Areas

Marketing platforms, business solutions, and data services

www.skplanet.com

264 Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do
02-6119-0114

Revenue for 2020 (Unit: USD)

234.3 million

SK Planet is a leading “data & tech” company that creates new value for businesses by leveraging on data. Celebrating its 10th anniversary this year after its foundation in 2011, SK Planet offers expertise in marketing platforms and business solutions and provides differentiated value to its customers by collecting and analyzing 130 million pieces of data from major services across SK Group.

Business Highlights

In January 2021, SK Planet was selected as the service provider of “MyData,” a project it pursued to ensure greater quantity and quality of customer data, as the government and related policy-making authorities acknowledged its data capabilities. In the IoT solution business, SK Planet partnered with Korea Environment Corporation in January 2020 to develop a monitoring system for fine dust influx from overseas and worked with Seoul Metro in July 2020 to develop a fine dust monitoring and control system, building its environment and safety project portfolio. In April 2021, its road hazard detection solution was selected as the innovative technology for the Intelligent Transport System (ITS) of the Ministry of Land, Infrastructure and Transport, showcasing SK Planet’s expanding scope of IoT solutions to manufacturing, facilities, and transportation.

New Growth Engines

SK Planet aims to provide differentiated solutions to boost the productivity of its corporate clients in

internal business activities, general management, and marketing by using its competitive edge in collecting customer experience data from touchpoints across various services. Under this vision, SK Planet will drive transformation of its marketing platforms into data-based performance marketing platforms by integrating digital currency into OK Cashbag and operating the MyData business centered on Syrup Wallet. SK Planet will also advance its business solutions with a focus on industrial IoT solutions considering their potential for wider application and market opportunities.

ESG Management

SK Planet supports addressing various societal problems and helps its corporate clients in ESG management. It is currently working on the “project to support small business owners with marketing solutions” with the Small Enterprise and Market Service and working to create social value by partnering with government institutions and regional governments to educate future business owners on how to utilize O2O platforms to develop distribution channels along with other educational programs. SK Planet also supports businesses and public institutions in addressing various environmental and societal problems by carrying out SHE management projects as well as offering smart factory and air quality improvement solutions based on cutting-edge ICT technologies including IoT, AI, and big data.



11street co.,ltd

Business Areas
E-commerce

www.11stcorp.com
Seoul Square, 416 Hangang-daero, Jung-gu, Seoul
02-6119-0011

Revenue for 2020 (Unit: USD)

462.3 million

11Street Co., Ltd. operates its business with “11Street” at its core, which is one of the leading online marketplaces in Korea. Through bold changes and innovation, 11Street is evolving into a “commerce portal” that provides everything for shopping, from obtaining information to product search and purchase. Since its entrance into the e-commerce market in February 2008 as an online marketplace of Korean origin, 11Street has improved its services and technology to become the most advanced online marketplace that provides pleasant and memorable experience to customers and business success and rewarding experience to sellers.

Business Highlights

Under the “commerce portal” strategy, 11Street Co., Ltd. offers various services that deliver the unique value of 11Street. On the 11th day of each month, 11Street runs its 11th Day Festive Event to add fun to the shopping experience with its unique products. 11Street helps customers make informed decisions through “Content Lab,” which provides personalized shopping information and latest trend updates, and “LIVE11,” a live commerce event that provides real-time information on products, while boosting customer trust through a video clip review service (“Ggukgguk” in Korean) that promotes direct customer engagement. 11Street is also driving transformation of e-commerce business through its partnership with the world’s largest e-commerce company Amazon.

New Growth Engines

11Street Co., Ltd. independently developed and launched an e-commerce search technology to provide personalized search results to facilitate convenient product search and purchase. The company also adopted the cutting-edge technology of algorithm curation, used by companies such as Amazon and Netflix, to use the technology for the data and user characteristics of 11Street to make optimized product recommendations that meet an individual shopper’s needs in real time. By implementing such technological innovation in every stage of shopping, 11Street Co., Ltd. is accelerating the move towards the era of “Zero Effort Commerce,” where customers’ effort in shopping is minimized.

ESG Management

11Street Co., Ltd. supports struggling farming and fishing communities across the country by opening new distribution channels and runs “11Street Seller Zone” to provide free training to sellers and support the growth of social enterprises and those who are planning to launch their stores in online marketplaces. The company also launched “ALL STANDARD,” its private brand created in partnership with manufacturers to discover and foster outstanding SMEs and offers “Fast Seller Payout” service with no fees charged as part of its commitment to creating a platform that provides a better sales environment and promotes mutual growth.



Business Areas
Unmanned security, information security, CCTV security, access control, smart home security, cloud security, OT/ICS security, integrated security for mid- and large-sized buildings, convergence security, parking management, drones, fleet management and control, retail solutions, security guard service, etc.

www.adtcaps.co.kr
23, Pangyo-ro 227-gil, Bundang-gu, Seongnam-si, Gyeonggi-do
1588-6400

Revenue for 2020 (Unit: USD, Consolidated)

1.1 billion

Since its foundation in 1971, ADT CAPS has been leading Korea’s security industry for the past 50 years. After joining the SK ICT Family in 2018 and merging with the leading information security company SK Infosec in March 2021, it was officially launched as an integrated company “ADT CAPS.” ADT CAPS was reborn as the only company in Korea that combines physical and cyberspace security to protect lives and properties regardless of time and space and deliver the value of peace of mind, emerging as a company that provides value beyond security by bringing together its business capabilities and technological excellence.

Business Highlights

ADT CAPS is expanding its business into mobile security. It is the first company in Korea to obtain the “Security Competency” certification of the world’s No. 1 cloud service provider Amazon Web Services (AWS), and signed a strategic partnership agreement with AWS to push for expansion of cloud security consulting and operations. ADT CAPS also has stepped up the competitiveness of its home security business based on its collaboration with third parties that provide AI features and a comprehensive suite of services.

New Growth Engines

ADT CAPS is broadening its business scope into new areas: a full coverage security service for

cloud; a smart home safety platform integrating various customer-premises equipment and insurance services; customized unmanned solutions for unmanned stores and parking service; services to provide care for senior citizens and socially vulnerable groups; and disease control service. Through these efforts, ADT CAPS will strive to become more than a security company and rapidly evolve into a “Life Care Platform Operator.”

ESG Management

ADT CAPS contributes to promoting the value of ESG by using its security and ICT capabilities to prevent crimes and address other societal problems and fostering mutual growth with small business owners and SMEs. ADT CAPS has collaborated with SK Telecom to launch a 24/7 service specially designed for urgent requests from senior customers, partnered with the Gangbuk Police Station to gift its home security service CAPS Home to vulnerable groups, and engaged in various volunteer activities for safety of women and children. In addition, ADT CAPS launched the SOHO Business Management Solution to support small business owners who are struggling due to Covid-19 and increased solution business collaboration with domestic security SMEs to take the lead in developing the information security market and promoting mutual growth.



SK telink

Business Areas
MVNO service (SK7mobile), international call service (branded under 00700), and satellite communication service (SK Smart Sat)

www.sktelink.com
Mapo T Town, 144 Mapo-daero, Mapo-gu, Seoul
1599-00700 / 1599-0999

Revenue for 2020 (Unit: USD)
283.2 million

SK Telink is a common carrier for wired & wireless telecommunication services including international direct dialing service, MVNO, and satellite communication service. Since its launch, “00700” has established itself as the household name for international call service in Korea, while “SK7mobile” is leading the trend of value-focused, reasonably-priced use of mobile service. As the only satellite communication operator within SK Group, SK Telink is gradually expanding its business through investments in core infrastructure for the satellite market in Korea.

Business Highlights
As the popularity of MVNO service is rapidly growing among the so-called “Generation MZ,” or those aged between 20 and 40, SK Telink is developing and offering MVNO service price bundles with a variety of benefits, launching SIM cards designed with Marvel characters, accelerating its digital MVNO strategy that includes introduction of self-activation of SIM cards and increased partnership with convenience store chains. In addition, SK Telink is opening doors for new opportunities for its international call service 00700 through efficient target marketing enabled by machine learning, introduction of subscription plans, and development of new services combined with satellite communication.

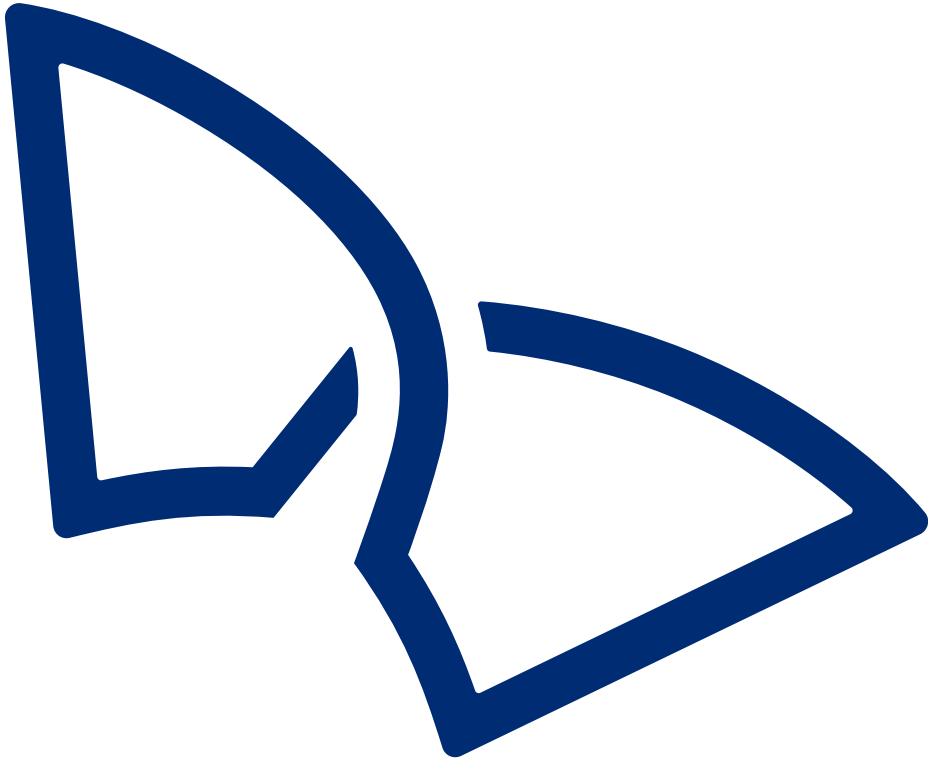
New Growth Engines
After signing an MOU with Samsung Heavy Industries for co-development of a satellite communication service package for smart ship, SK Telink entered into an exclusive agreement as the sole operator of Intelsat’s service in Korea to drive a new B2B2C business that combines international communication service and satellite communication. SK Telink will stay unfazed by rapidly-changing market conditions and competition landscape to focus on growing as a “Global Borderless Telco.” that provides uninterrupted cross-border communications through continued investment into core infrastructure and aggressive market penetration.

ESG Management
SK Telink is implementing the “Eco Package” strategy in partnership with social enterprises with the aim to use eco-friendly packaging materials from the boxes to the fillers for its MVNO service “SK7mobile.” Partnering with “Arip & Werip,” a small-scale local social enterprise, SK Telink fully switched to eco-friendly materials for its shipping boxes, while providing a string that can be attached to a used SIM card holder so it can be repurposed in an effort to reduce plastic waste. In April 2021, the company replaced its subscription guidebook with a QR code to minimize paper waste with the annual production costs saved of approximately USD 85,000 being converted to donation points for charities and spent to improve customer service.



SK creates the next generation of technology
for building a better tomorrow





SEMICONDUCTOR · MATERIALS



SK hynix

Business Areas
DRAM, NAND flash, and CIS (CMOS image sensor)
www.skhynix.com
2091 Gyeongchung-daero, Bubal-eup, Icheon-si,
Gyeonggi-do
031-5185-4114

Revenue for 2020 (Unit: USD)
25.9 billion
* Consolidated: 27 billion

Since its successful pilot production of Korea’s first 16Kb SRAM in 1984, SK Hynix has since been leading the semiconductor memory industry. SK Hynix manufactures memory semiconductors including DRAM, NAND flash, and multi-chip package (MCP)—the core components of a wide array of ICT devices such as servers and mobile devices as well as new digital technologies such as AI and autonomous driving—and logic semiconductors such as CMOS image sensor (CIS), providing innovative solutions.

Business Highlights
SK Hynix has been strategically investing in building a stronger foundation for enhancing its technological competitiveness and sustainable growth, evidenced by an average of approximately USD 11 billion of investment over the last three years. After its successful commercial production of high-speed HBM2E DRAM in July 2020, SK Hynix released the world’s first DDR5, the next-generation DRAM, in October 2020, offering a high-speed and high-capacity technology optimized for big data, AI, and machine learning. In December 2020, SK Hynix successfully completed commercial production of 176-layer 4D NAND flash, the most multilayered of its kind in the industry.

New Growth Engines
In February 2021, SK Hynix completed the construction of M16, a new semiconductor plant located in Icheon, and is slated to invest approximately USD 101.7 billion into building four FABs after 2022 to build a semiconductor cluster that brings together more than 50 domestic and overseas partners. The company also acquired Intel’s NAND memory business for USD 9 billion in 2020. The addition of the technological excellence Intel has built in NAND memory solution is anticipated to serve as the springboard for the NAND memory business of SK Hynix.

ESG Management
In December 2020, SK Hynix and some of the other member companies of SK Group became the first major businesses in Korea to join RE100. In line with this decision, SK Hynix plans to build the infrastructure to transition to 100% renewable electricity by 2050, while aiming to achieve RE100 at the production facilities in China by 2022. SK Hynix is also leading the way in fostering the semiconductor ecosystem by operating “DBL Square,” a shared portal for industry partners, and “We Do Tech Center” in an effort to enhance the competitiveness of its partners.



SK siltron

Business Areas
Production and sale of Si and SiC wafers

www.sksiltron.com
SK Siltron, 53 Imsu-ro, Gumi-si, Gyeongsangbuk-do
054-470-8499

Revenue for 2020 (Unit: USD)
1.4 billion
* Consolidated: 1.4 billion

SK Siltron is one of the world’s top five manufacturers of silicon wafers, a core component of semiconductors. Entry barriers to manufacturing silicon wafers are so high that only a few countries, such as Japan and Germany, have the required technological capabilities, and SK Siltron is the only Korean company to supply its silicon wafers to global semiconductor manufacturers based on its 40 years of experience in building the technological expertise in manufacturing world-class silicon wafers that are free of crystalline defects with the control of 20nm particles and super flat surface. As a partner that provides leading-edge wafers to global semiconductor manufacturers for research and development of new technologies, SK Siltron continues to contribute to driving the development of the semiconductor industry to the next generation.

Business Highlights
SK Siltron has been growing rapidly at an annual growth rate of 10% or more, recording the highest revenue to date in 2020, underpinned by its competitiveness in stable production and supply of silicon wafers. In 2020, SK Siltron acquired the silicon carbide wafer (SiC wafer) business of the American company DuPont to launch SK Siltron CSS and tap into the SiC wafer market for EVs.

New Growth Engines
In an effort to be the first mover in innovative future technology markets that will lead the world, such as digital and energy, SK Siltron is committed to expanding its business portfolio into power semiconductors and low-loss and high-efficiency materials (GaN) that will enable the technological innovation. SK Siltron will continue to aspire to be more than the No. 1 silicon wafer manufacturer and grow into a “Global Top Wafer Provider” as the only company in the world with a product portfolio of single crystal and compound wafers.

ESG Management
With the pursuit of social value at the center of its business management strategy to respond to the demand of customers, the environment, and society for businesses, SK Siltron is incorporating ESG principles into its business operations. Starting with joining RE100 in 2020 as one of the first Korean companies to do so, SK Siltron became the first company in the global semiconductor wafer industry to have all of its products recognized by the Carbon Trust with the “Carbon Footprint” label and the Zero Waste to Landfill (ZWTL; 99% of recycling rate) certification. SK Siltron has also pledged to achieve net zero by 2040, while continuing to publish sustainability reports, leading the industry for change.



SK materials

Business Areas
Specialty gas and materials for displays and semiconductors

www.sk-materials.com
(Head Office) 59-33 Gahyeunggongdan-ro, Yeongju-si, Gyeongsangbuk-do
054-630-8114
(Seoul Office) F22 Gran Seoul, 33 Jong-ro, Jongno-gu, Seoul
02-728-0910

Revenue for 2020 (Unit: USD, Consolidated)
809.3 million

In 2001, SK Materials became the first company in Korea to domestically produce the specialty gas nitrogen trifluoride (NF₃) after years of persistent research and development since its inception in 1982. The company is the unparalleled global No. 1 in production and sale of NF₃, maintaining over 40% of global market share. It is also the world’s largest producer of tungsten hexafluoride (WF₆) and second largest producer of monosilane (SiH₄), while also producing and selling other gases such as dichlorosilane (SiH₂Cl₂) and disilane (Si₂H₆), thus building its global competitiveness in specialty gas and semiconductor materials. In addition, SK Materials successfully began its commercial production of high-purity (purity level of 99.999%) hydrogen fluoride (HF) gas, the supply of which used to be 100% reliant on import.

Business Highlights
SK Materials secured a supply of new semiconductor materials and proprietary technologies through a series of successful M&A with SK Materials Airplus, SK Materials Renewtech, and SK Materials Performance as well as global joint ventures such as SK Trichem, SK Showadenko, and SK Materials JNC. These developments have resulted in more than a threefold increase in the company’s value and catapulted SK Materials to become a major semiconductor materials company with a full range of products.



New Growth Engines
SK Materials is committed to upgrading its existing range of semiconductor materials to be high-performing, highly sophisticated, and eco-friendly, while tapping into markets with growth potential for the future including displays, batteries, and eco-friendly materials. By doing so, the company will meet various customer needs and continue to expand its product portfolio. Customers constantly evolve their technologies, and the market competition is intensifying. Despite this rapidly-changing market environment, SK Materials will continue to advance itself through technological innovation and R&D to evolve as a producer of high-value materials.

ESG Management
Aspiring to evolve into a leader in the global materials industry to drive ESG principles in business, SK Materials has pledged to reach net zero and is leading the way in reduction of greenhouse gas emissions. The company engages in eco-friendly businesses including upcycling of industrial waste and building eco-friendly business operations that minimize waste and maximize water reuse through innovative process improvement. SK Materials is also working with its partners and clients to build technology-based ecosystems for mutual growth and giving back to society through programs that foster mutually thriving local communities.



LOGISTICS · SERVICES · BIO

SK networks

Business Areas
ICT marketing, global trading, automotive aftermarket services, automobile and home appliance rental, hotels & resorts, and other lifestyle business

www.sknetworks.co.kr
Samil Building, 85 Cheonggyecheon-ro, Jongno-gu, Seoul
070-7800-2114

Revenue for 2020 (Unit: USD)
6.8 billion
* Consolidated: 9 billion

Founded in 1953 as Sunkyong Textiles, the precursor of SK Group, SK Networks operates a diverse range of businesses based on its competitiveness in domestic and international networks, high-quality trade partners, exceptional logistics capabilities, automobile and home appliance rental services, and lifestyle business including hotels & resorts.

Business Highlights
SK Networks is Korea’s top mobile device distributor and sells approximately seven million mobile phone units per year in Korea. The company is pushing for diversification of its ICT device distribution business through “MINTIT,” a new business brand for distribution of ICT devices and recycling of used phones. SpeedMate has established itself as an undisputed No. 1 brand of automotive aftermarket service. In global trading, SK Networks focuses on industrial products including chemicals, materials, steel, and automobiles leveraging on its excellent sourcing abilities and differentiation from its competitors. Walkerhill Hotels & Resorts is the leader in Korea’s hotel industry that offers top-class experience in urban getaways in nature, cultural activities, and business events. Walkerhill Hotels & Resorts is creating great synergy among its diverse group of hotel concepts, including Walkerhill Seoul, Vista Walkerhill Seoul, Douglas House, the Incheon Airport Transit Hotel and Matina Premium Lounge, and the capsule hotel Darakhyyu.

New Growth Engines
SK Networks is transforming itself into a leader in the sharing economy through SK Magic and SK Rent-a-Car. Keeping pace with industry and market changes, the company is also actively searching for the next growth engines with great potential. Living up to its name, “Networks,” SK Networks strives to align its businesses with stakeholders’ value to create greater happiness in society. SK Networks is committed to growing as a “customer-oriented digital company promoting eco-friendly lifestyles” by transforming its business model in such a way that upholds ESG principles in its business.

ESG Management
SK Networks creates environmental and social value through “MINTIT,” its business brand for recycling of used phones. Meanwhile, SK Magic plans to further expand its eco-friendly product line after its launch in 2020 of “All Clean Air Purifier,” which is made of eco-friendly plastics. SK Rent-a-Car announced its plan to completely replace its fleets with electric and hydrogen vehicles by 2030. SK Networks also makes contributions to building a safety net by continuously engaging in its “Sharing a Meal, Warm Contact” campaign, whereby it provides meal boxes to vulnerable communities such as senior citizens living alone.



SK magic

Business Areas

Manufacture and rental of kitchen and home appliances

www.skmagic.com

F14~18 Samil Building, 85 Cheonggyecheon-ro,
Jongno-gu, Seoul
1600-1661

Revenue for 2020 (Unit: USD, Consolidated)

868.2 million

Since its inception in 1985, SK Magic has been a trendsetter in the home appliances market leveraging on its technological excellence and services differentiated from its competitors. The company continues to grow as an industry leader underpinned by its “home appliances business,” which has established a strong foundation, and “rental service business,” spearheading growth for the future. In 2018, SK Magic launched its subsidiary in Malaysia to be the gateway to overseas markets and operate a rental business for water dispensers and air purifiers with a plan to expand the scope of business to bidet toilets and massage chairs.

Business Highlights

SK Magic has been continuing its growth trajectory, breaking its own record of performance every year. In 2020, the company celebrated yet another great year by recording a consolidated revenue of USD 868.2 million and operating profit of USD 69.3 million with the cumulative number of accounts surpassing two million. By tirelessly working towards resolving customer pain points, the company has solidified its position in the top tier in the market across its key product lines including water dispensers, dishwashers, induction stoves, gas stoves, and ovens. As a result, SK Magic has been recognized for its brand competitiveness at a series of the

most prestigious domestic and international awards including the “2020 Korea Brand Awards” and “CES 2020 Innovation Awards.”

New Growth Engines

SK Magic is working towards advancing itself to the next level by developing new drivers of growth that will help it gain another competitive edge in areas of new business models, products, ESG (environment, social, governance), and global businesses. SK Magic will continue to keep customer value its top priority and increase investments in research and development, quality improvement, customer service, and enhancement of brand reliability.

ESG Management

To reduce its impact on the environment from plastic waste and address consumer concerns over hygiene, SK Magic is stepping up its efforts towards developing eco-friendly products—for instance, SK Magic is the first company in Korea to make a complete switch to stainless steel piping in water dispensers. In addition, the company launched All Clean Air Purifier, made of eco-friendly plastic (PCR-ABS) in November 2020, continuing its efforts to transform itself as an eco-friendly company, and plans to take the lead in operating an eco-friendly business to reduce social costs and create social value.



SK rent-a-car

Business Areas

Car rental

www.skcarrental.com

F22~25 Samil Building, 85 Cheonggyecheon-ro,
Jongno-gu, Seoul
1599-9111

Revenue for 2020 (Unit: USD)

731.8 million

Having started with a small fleet of 150 cars in 1988, SK Rent-a-Car has achieved an average growth rate of 23% backed by its differentiated “total car life service” and digital technology-incorporated business model. SK Rent-a-Car has rolled out Korea’s first long-term car rental service with no deposit, introduced Korea’s first EV rental, and launched IoT-enabled “Smartlink” service to support corporate clients in efficient vehicle management, drawing much attention to its wide array of services that satisfy customer needs and deliver increased value to customers. SK Rent-a-Car will continue to grow as an “EV-centered mobility rental company” by proactively responding to the rapidly-changing market environment.

Business Highlights

SK Rent-a-Car has driven business model innovation in the car rental industry, being recognized as the best car rental service in the 2020 National Service Awards and topping the KS-WEI (Korea Standards Well-being & Environment Index) for nine consecutive years. In October 2020, the company also launched “EV All in One,” a car rental plan that offers limitless charging of EVs to meet the growing customer needs.

New Growth Engines

SK Rent-a-Car will continue to work towards evolving as an EV service provider by introducing a variety of EV rental products and services to respond to the rapidly-shifting mobility business environment and stay as the first mover in the EV rental market. To this end, the company is currently building Korea’s first EV complex in Jeju Island and expanding its business into various areas of fleet management system (FMS) through active collaboration with external partners.

ESG Management

For the first time since its foundation, SK Rent-a-Car issued approximately USD 83 million in green bonds. The company also plans to invest approximately USD 144.1 million in purchasing eco-friendly vehicles in 2021 to meet the growing demand for eco-friendly car rental. SK Rent-a-Car plans to provide eco-friendly products and services with an aim to complete its full transition to electric and hydrogen vehicles by 2030 to transform itself into an eco-friendly mobility company, expecting to contribute to reduction of approximately 260,000 tons of carbon dioxide every year. By 2025, SK Rent-a-Car will complete its EV complex in Jeju Island that can accommodate 3,000 vehicles with a fast-charging capacity of 7,200kW as part of its contribution to the “Carbon Free Island Jeju” initiative.



SK ecoplant

Business Areas
Eco-friendly business, energy, and solutions
(eco-friendly space, engineering, and infrastructure)

www.skecoplant.com
Gwanhun Building, 32 Insadong 7-gil, Jongno-gu, Seoul
02-3700-7114

Revenue for 2020 (Unit: USD)

6.4 billion
* Consolidated: 7.4 billion

Having successfully completed projects of outstanding standard in infrastructure, architecture and housing, and plant construction over the years, SK E&S officially renamed itself as “SK Ecoplant” in May 2021 to start fresh as an eco-friendly business that leads the way in business operations centered on ESG principles. SK Ecoplant has focused its capabilities on laying the foundation for business model transformation to shift its focus to eco-friendly and new energy businesses with a strong belief that business models can be sustained only when they are driven by social value on top of economic value.

Business Highlights
As part of its commitment to driving eco-friendly businesses, SK Ecoplant acquired Environment Management Corporation (formerly known as EMC Holdings), the largest provider of comprehensive waste management services in Korea, to develop a new business that incorporates technology and finance. For its new energy business, SK Ecoplant partnered with the American company Bloom Energy to launch a joint venture called Bloom SK Fuel Cell to build a fuel cell production plant in Gumi, Gyeongsangbuk-do and has started domestic production of one of the world’s highest-performing fuel cells. In addition, SK Ecoplant won a solid oxide fuel cell (SOFC) engineering, procurement, and construction (EPC) project from the American company Equinix for its data

center in California, securing a springboard for eco-friendly distributed generation in the global market.

New Growth Engines
SK Ecoplant is transitioning “from linear to circularity” business paradigm in order to address environmental problems powered by innovative eco-friendly technologies. Based on the expertise built from its construction business, SK Ecoplant will actively invest in the three business areas—namely the eco-friendly business, eco-friendly energy, and eco-friendly solutions (for eco-friendly space, engineering, and infrastructure)—and acquire more technologies in these areas to grow as a global leader in the environmental business.

ESG Management
SK Ecoplant aspires to direct its business activities towards ESG and create new value that can contribute to the sustainable development of our society. On top of acquiring cutting-edge eco-friendly technologies, the company will center its ESG activities around establishing a “safety first” culture for its partners and employees, creating a platform for a safety ecosystem, and promoting the growth and happiness of its people. By doing so, SK Ecoplant will continue to contribute to addressing societal problems through its business activities and enhance its corporate value.



SK biopharmaceuticals

Business Areas
Development of innovative new drugs for the global market

www.skbp.com
221 Pangyoyeok-ro, Bundang-gu, Seongnam-si,
Gyeonggi-do
031-8093-0114

Revenue for 2020 (Unit: USD)

22 million

As part of the effort to develop the next growth engine of SK Group, SK Biopharmaceuticals was founded and began its development of new drugs in 1993. Starting with its new investigational drug being approved for a clinical trial by the U.S. FDA in 1996, SK Biopharmaceuticals has since focused on developing treatments for disorders of the central nervous system (CNS) and became the only Korean company to have two innovative new drugs (cenobamate and solriamfetol) approved by the FDA and EMA. Having successfully completed its listing on the KOSDAQ market in July 2020, SK Biopharmaceuticals operates its subsidiaries in Korea, the U.S., and China to enhance its global competitiveness.

Business Highlights
After the new antiepileptic drug cenobamate was launched in the U.S. under XCOPRI® in May 2020, the compound was then branded as ONTOZRY® to be sold in Europe in June 2021, starting from Germany. SK Biopharmaceuticals is the first Korean company to have its independently developed innovative new drugs sold both in the U.S. and Europe. The company is currently carrying out a phase 3 clinical trial for cenobamate in Asia and has signed a licensing agreement with Ono Pharmaceutical in October 2020 for the development and commercialization of cenobamate in Japan. “Solriamfetol (sold under SUNOSI®),” a new sleep disorder drug developed by SK Biopharmaceuticals, is also sold

in the U.S. and Europe through its partner Jazz Pharmaceuticals.

New Growth Engines
SK Biopharmaceuticals has eight new compounds in the pipeline for CNS disorders. Cenobamate has entered a global phase III clinical trial to expand the indication of cenobamate to “primary generalized tonic-clonic seizures,” with carisbamate, a Lennox-Gastaut Syndrome treatment, in phase 1b/2 and SKL24741, a next-generation new antiepileptic drug, in phase 1. SK Biopharmaceuticals is also developing a new anticancer drug based on its development capabilities for drugs that can penetrate the blood-brain barrier, built over the years in the process of developing treatments for brain diseases. In addition, the company is driving up its R&D competitiveness through various open innovation strategies.

ESG Management
SK Biopharmaceuticals established an ESG and strategy committee and published its first sustainability report to begin its full shift to business operations driven by ESG principles. SK Biopharmaceuticals is committed to continuous creation of value in healthcare through developing new innovative drugs, while maximizing its corporate value through agile and active response to ESG risks and opportunities.



SK pharmteco

Business Areas
Manufacture of APIs and DPs

12460 Akron Street Suite 100,
Rancho Cordova, CA, 95742, U.S.A.

Revenue for 2020 (Unit: USD)

602 million

* As it is a combined, non-consolidated revenue of three subsidiaries, it may differ from the disclosed information

SK Pharmteco is a global CMO (contract manufacturing organization) company that operates independent manufacturing facilities in Korea, Europe, and the U.S. SK Pharmteco was launched in 2019 as an integrated CMO business after SK Biotek and SK Biotek Ireland were incorporated under SK Pharmteco as its subsidiaries, a decision that was made to create synergy within SK Group and consolidate SK’s CMO business capabilities.

Business Highlights

SK Pharmteco boasts a strong track record of having successfully been inspected by regulatory authorities of advanced countries and is equipped with the production capacity that enables flexible response to the demands of pharmaceutical companies. SK Pharmteco’s successful regulatory inspection records and production capabilities have proven to be instrumental in expanding its business in light of stricter regulations to control the quality of medicines in advanced countries and the growing preference of global pharmaceutical firms for CMOs in advanced countries. In addition, SK Pharmteco has a set of specialized technologies that few competitors have access to, including continuous processing, control of energetic chemistry, and manufacturing of highly potent APIs, which contribute significantly to its ability to produce highly sophisticated products and enhanced customer trust.

New Growth Engines

In March 2021, SK Pharmteco acquired the French company Yposkesi in order to be the first mover in the cell and gene therapy CMO business, expanding its business areas from small-molecule APIs to biologics. Within the biologics market, cell and gene therapy is expected to grow immensely, boosted by increased investments from pharmaceutical companies for product development and support from regulatory institutions. Yposkesi has outstanding manufacturing technologies for cell and gene therapies and the highly advanced technology for aseptic syringe filling.

ESG Management

SK Pharmteco carries out research on, and production of, molecules in clinical phases to accelerate their commercial production for pharmaceutical companies. By doing so, SK Pharmteco is not only helping pharmaceutical companies to speed up their new drug development to deliver treatments to patients faster, but also contributing to reducing the total healthcare costs of patients. In addition, SK Pharmteco leverages on its eco-friendly technologies in the production process to minimize waste, leading the way in creating social value.



SK bioscience

Business Areas
Research and development, production, and distribution of vaccines and biologics

www.skbioscience.co.kr
310 Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do
080-969-9966

Revenue for 2020 (Unit: USD)

191.2 million

SK Bioscience is a vaccine maker that was spun off from SK Chemicals in 2018. The company has built the foundation for growth by acquiring Dongshin Pharmaceuticals in 2001, completing its vaccine R&D center in 2005, and building a vaccine manufacturing plant called L House in Andong in 2012. Under the mission of “improving human health, from prevention to cure,” SK Bioscience continuously strives to enhance its leadership in the domestic market, expand the capabilities required to tap into the global market, and develop premium vaccines based on innovative technologies.

Business Highlights

SK Bioscience is drawing the global attention for its technological excellence in R&D and outstanding production systems for vaccines. After signing an agreement in 2014 with the global pharmaceutical company Sanofi Pasteur Inc. to jointly develop a next-generation pneumococcal vaccine, SK Bioscience signed another agreement with Sanofi in 2018 for the use of Sanofi’s technology to produce a cell culture-based influenza vaccine. In addition, SK Bioscience operates a variety of vaccine R&D and production programs to co-develop vaccines with various international organizations including

the Bill & Malinda Gates Foundation, PATH, and IVI. More recently, SK Bioscience has kick-started efforts to collaborate with domestic and overseas institutions to develop Covid-19 vaccines and signed a licensing agreement with global companies such as AstraZeneca and Novavax to manufacture their Covid-19 vaccines, leveraging on the cutting-edge facilities at its L House in Andong.

New Growth Engines

In addition to development of existing premium vaccines, SK Bioscience plans to secure new pipelines and platform technologies for preventive and therapeutic vaccines and expand its business portfolio into biologics. At the same time, the company will also strive to expand its global market by submitting proposals for overseas public vaccine biddings and entering the developing markets and grow its CMO/CDMO business by establishing a network of overseas bases and strengthening partnerships. SK Bioscience will stay focused on securing robust competitiveness to evolve into a major global player in vaccines and biologics by building a sustainable business structure based on the three mutually complementary pillars of vaccines, biologics, and CMO/CDMO.





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