2025 ESG Report

SK bioscience

OUR **ESG**



CEO Message

Dear valued stakeholders,

I would like to extend my deepest gratitude for your consistent trust and support for SK bioscience.



Guided by our corporate mission—"We promote human health, from prevention to cure"—we are steadfast in our commitment to enhancing global public health. ESG, as a core pillar of our management philosophy to realize this mission, serves as the foundation for sustainable growth through the vision of "Healthier Life, Sustainable Future."

Over the past year, SK bioscience has incorporated ESG principles into the corporate culture and promoted them across stakeholders. As a result, we achieved meaningful milestones, including receiving A ratings from KCGS for three consecutive years and A ratings from MSCI for two consecutive years. These achievements were supported by our efforts to build globally-aligned systems across the Environmental (E), Social (S), and Governance (G) pillars.

On the environmental front, we marked a significant turning point toward fulfilling our RE100 commitment by signing a Power Purchase Agreement (PPA) for renewable energy. We also proactively prepared for the upcoming mandatory climate-related disclosures by participating for the first time in the global initiative CDP (Carbon Disclosure Project) for climate change. This enabled us to assess our environmental performance in line with international standards and to enhance our readiness for climate-related regulations and policies.

On the social front, we have expanded the scope of our human rights impact assessment to include our business partners and local communities and took proactive steps to mitigate risks by conducting ESG risk assessments and offering consulting support to high-risk partners. In addition, we enhanced ESG capacity-building by running educational programs for our partners.

On the governance front, we reinforced ESG management systems to enable a transparent and accountable decision-making by operating the ESG Committee and establishing a risk management framework centered on the Board of Directors. We also expanded

internal communications to raise awareness and foster participation among employees, achieving significant progress in embedding ESG.

In 2025, we aim to deeply embed ESG principles into our organization, integrating sustainability into our core business strategies and corporate culture. We will enhance vaccine accessibility through market expansion and global partnerships, thereby fulfilling our mission to improve public health. Additionally, we will upgrade our Net Zero roadmap in line with our expanding business operations and strengthen employee environmental education.

Following our 2023 efforts, we will once again conduct a comprehensive human rights impact assessment, focusing on workplace ethics, diversity, and inclusion (DE&I). Through corporate philanthropic activities and team-based workshops, we will promote the integration of ESG into employees' daily routines and work, embedding it into our corporate culture.

SK bioscience believes that ESG is not just a responsibility, but a driver of long-term value creation. We will continue our efforts for a sustainable future and grow as a company that contributes to humanity and society.

We request your continued interest and support on our journey for the sustainable future. Thank you.

Jaeyong Ahn

President and Chief Executive Officer



ESG Implementation Framework

ESG Management Vision & Strategies

Under SK bioscience's mission of 'Promoting human health, from prevention to cure', we established an ESG implementation framework and specific tasks for each area centered around our ESG vision of 'Healthier Life, Sustainable Future'. We will secure the momentum for sustainable growth by managing environmental and social risks and realizing transparency in governance.

ESG Vision **Healthier Life, Sustainable Future**

Category	ESG Strategic Direction	ESG Strategic Goals	Key Achievements (2021~2024)	Short-term Goals (2025)	Mid- to Long-term Goals (~ 2035)
E	Strengthening Eco-friendly Management Systems	• Addressing climate change and achieving Net Zero	• Developing a greenhouse gas reduction roadmap • Publishing TCFD report • Signing PPA to implement RE100	• Enhancing/Disclosing Net Zero Roadmap	• Achieving RE100 and Net Zero goals
		• Advancing Environmental Management System (EMS)	• Establishing company-wide environmental management policies • Obtaining ISO 14001 certification • Submitting CDP (Carbon Disclosure Project) questionnaires	• Promoting biodiversity conservation activities • Conducting company-wide environmental training	• Responding to TNFD • Advancing the environmental management performance managing/monitoring system

Category	ESG Strategic Direction	ESG Strategic Goals	Key Achievements (2021~2024)	Short-term Goals (2025)	Mid- to Long-term Goals (~ 2035)
S	Pursuing Stakeholders Happiness	• Enhancing employee competencies & happiness	• Developing/implementing strategies for talent acquisition & professionals development • Announcing human rights management policies • Establishing a human rights impact assessment and due diligence system	• Operating programs to improve employee happiness • Advancing human rights impact assessments & implementing follow-up measures	• Enhancing Diversity, Equity, & Inclusion (DE&I) among employees
		• Generating Social Value (SV) in local communities	• Formulating/implementing strategies and mid- to long-term plans for Corporate Social Responsibility (CSR) • Expanding CSR activities & managing outcomes	• Enhancing employees participation and satisfaction in corporate philanthropic activities	• Strengthening community engagement channels
	Creating SV linked to Business Activities	• Building a global bio ecosystem	• Supporting the development of domestic bio talent • Establishing/awarding the Park MahnHoon Prize • Investing in Vaccine Funds	• Supporting R&D projects • Supporting Bio Ventures	• Operating Open Lab in Global R&PD Center • Fostering global vaccine experts
		• Generating Social Value (SV) through business	• Unveiling plans to expand into emerging & developing markets • Supporting healthcare worker training	• Enhancing public health capabilities in developing countries	• Increasing affordability & access to medicines
		• Managing sustainable supply chain	• Establishing/enforcing a code of conduct for business partners • Managing ESG risks for key business partners	• Expanding/supporting ESG risk management in supply chain	• Strengthening support for the shared growth of business partners

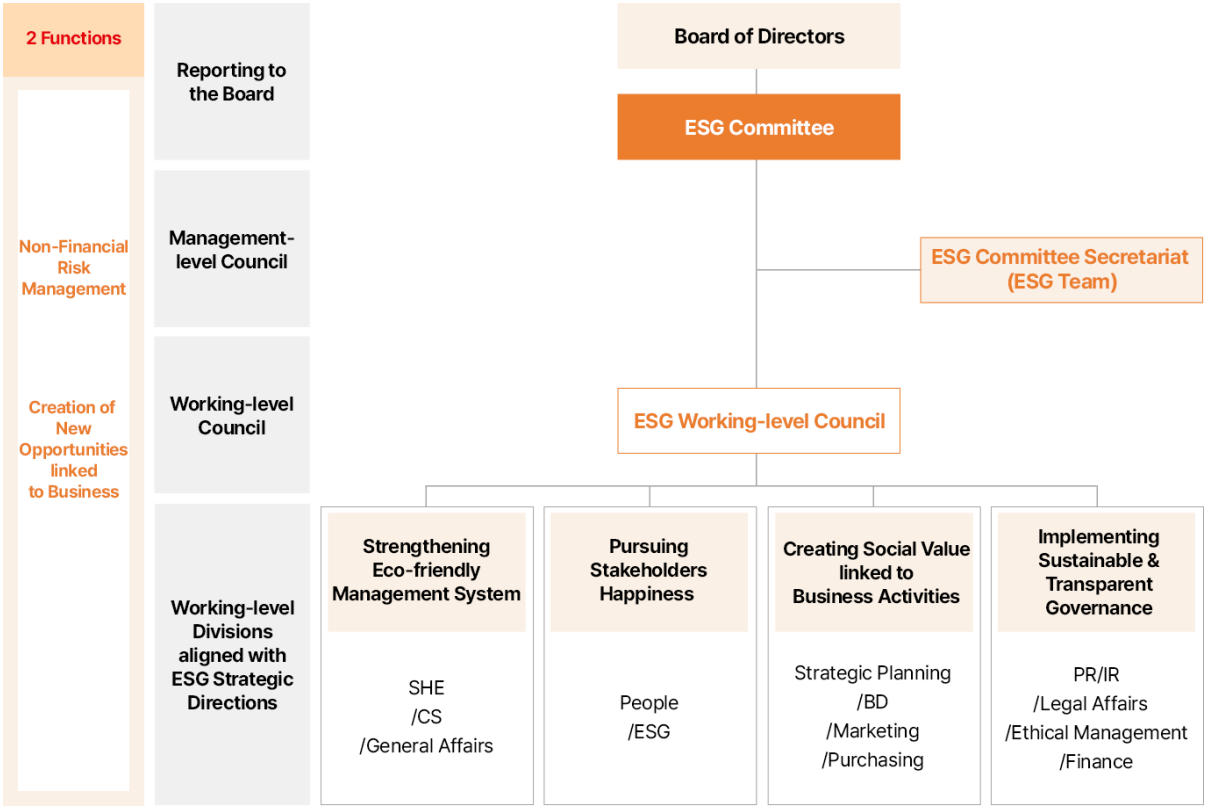
Category	ESG Strategic Direction	ESG Strategic Goals	Key Achievements (2021~2024)	Short-term Goals (2025)	Mid- to Long-term Goals (~ 2035)
G	Implementing Sustainable & Transparent Governance	• Strengthening the Board-level governance	• Establishing ESG Committee and holding meetings • Enacting the Corporate Governance Charter • Implementing the Board performance evaluation process	• Enhancing company-wide risk management and board oversight of the process	• Increasing board independence & diversity
		• Embedding ESG management	• Formulating/disclosing ESG management strategies • Supporting/joining ESG initiatives • Extending ESG into executive KPIs	• Planning/implementing ESG activities for employees	• Extending ESG into related department KPIs • Strengthening ESG activities for employees

ESG Management Process



ESG Management Governance

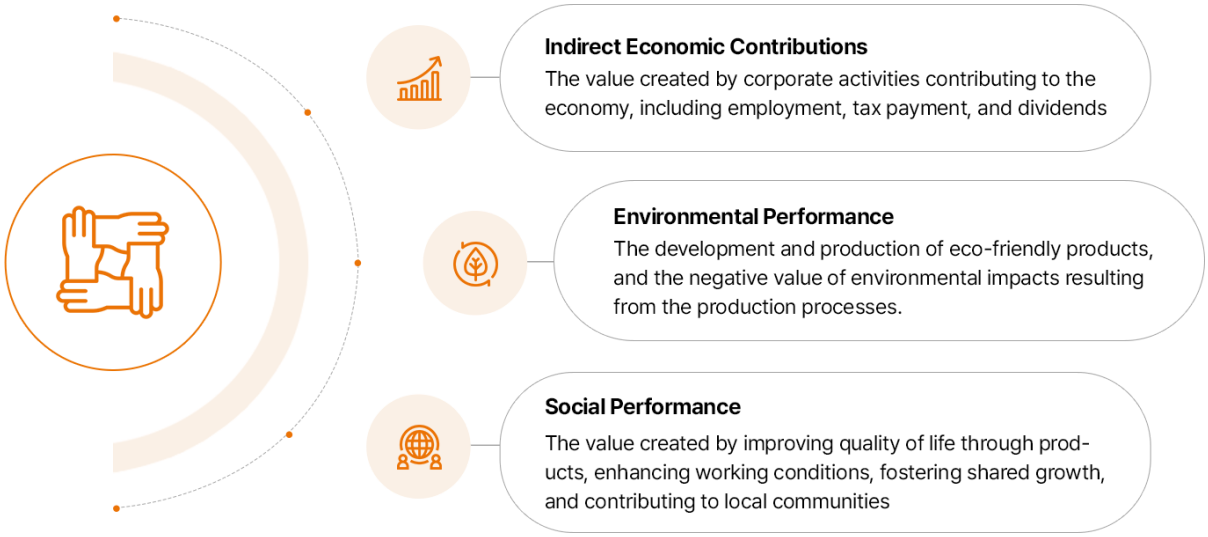
SK bioscience established an ESG Management Implementation Governance to elevate its ESG management to the level of a global leading company. This governance is designed to manage non-financial risks and create new business opportunities effectively. For systematic ESG management, it comprises the ESG Committee, ESG Working-level Council, and ESG team. The ESG Committee under the Board serves as the highest deliberation and decision-making body for ESG management. On the other hand, the ESG Working-level Council is responsible for implementing ESG improvement tasks and creating tangible outcomes. Based on short and mid- to long-term improvement tasks aligned with ESG, ESG team is in charge of company-wide projects, including reporting management-level meetings, decision-making support. It also handles reporting/disclosure and responds to external rating agencies.



Social Value Creation

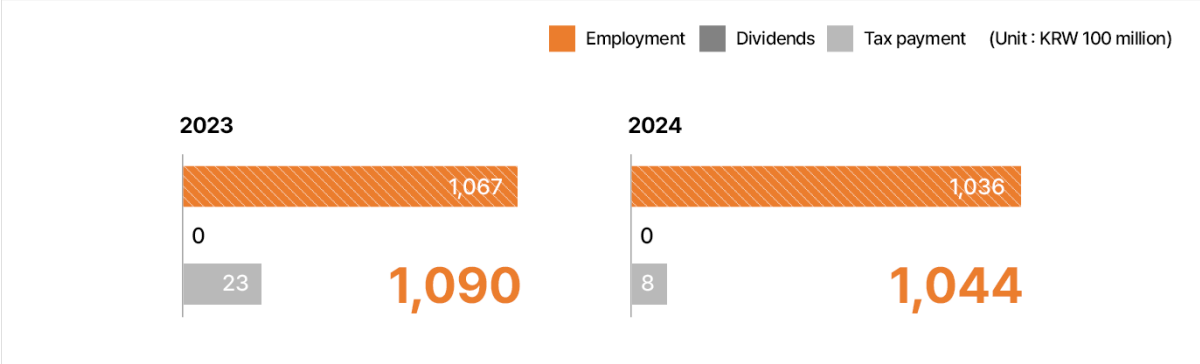
Outcomes of Social Value Creation

SK bioscience provides visible metrics and benchmarks to measure the social value we create. The main measurement areas are indirect economic contributions, environmental performance, and social performance. We embed social value into every process of creating and delivering our products and services. We objectively measure and manage the positive impacts of this value on our society. Additionally, by disclosing our social value measurement formulas, we aim to communicate with various stakeholders and continually improve and refine our performance.



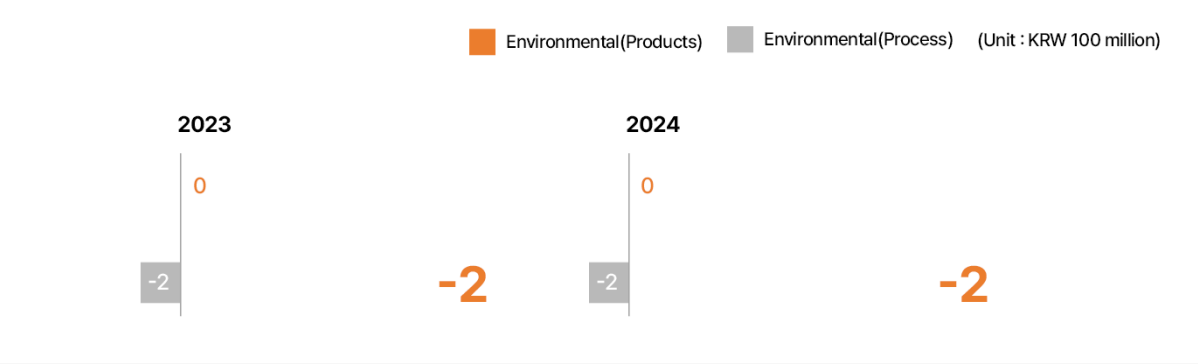
Indirect Economic Contribution

Through the business activities, SK bioscience not only generates economic performance for itself but also makes an indirect contribution to the overall economy.



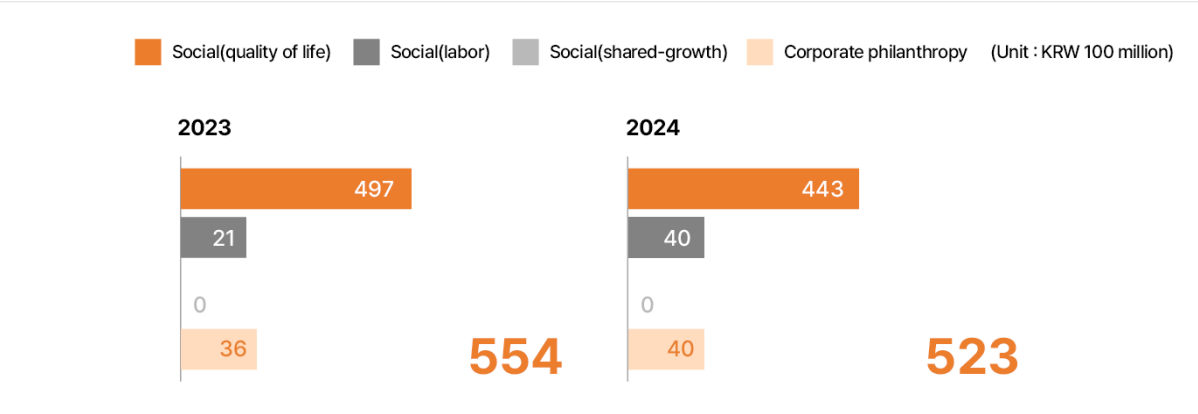
Environmental Performance

SK bioscience strives to minimize the environmental impacts of the vaccines throughout the entire process of R&D, production, and distribution. We will regularly measure and monitor our environmental performance to continually improve it.



Social Performance

SK bioscience creates social performance by improving the health of customers through vaccines, pursuing the happiness of stakeholders such as employees, and contributing to local communities through corporate philanthropic activities. We are enhancing our capabilities for optimized vaccine research and production through strengthening collaboration with global research institutions and building the Songdo Global R&PD Center, and we aim to take the lead in solving social issues in the medical and health fields. Looking ahead, we will continue to create social value linked to our business by fostering global bio talent who will join us in preparing for the next pandemic.



IDT Biologika ESG Management

ESG Management Framework & Performance

Under the ESG vision, IDT Biologika (hereinafter IDT) set the following vision and strategy and put an arduous effort to meet the highest environmental, social, and governance standards.

ESG Vision

'With our economically, ecologically and socially responsible actions, we aim to improve quality of life for people and secure the livelihoods of the present generation and those to come.'

ESG Strategy



IDT commits to apply energy saving measures as well as a sustainable procurement to minimize environmental impacts by maintaining ISO 50001 Energy Management Certification, expanding its own power generation using photovoltaic systems, etc. Also IDT aims to provide their talented workforce with a healthy, safe, and diverse working environment, fair compensation and opportunities for growth and development. Also, IDT's corporate governance established a transparent organizational structure and accountability system. The Compliance-based Management System (CMS), Business Continuity Management (BCM) and the Information Security Management System (ISMS) are those elements of IDT's sustainable corporate governance.

As a member of the United Nations Global Compact, IDT upholds the UN Guiding principles on Business and Human Rights and supports the global goals in the areas of human rights, labor, environment, and anti-corruption. As an acknowledgement of its above efforts, IDT has been awarded the EcoVadis Gold Medal 2024 and EUPD Research's ESG Transparency Award– for the sustainability measures undertaken in the field of environment, employment and human rights, ethics, and sustainable procurement.



ESG Ratings



Global Initiative Membership



Double Materiality Assessment

Double Materiality Assessment

SK bioscience performs annual materiality assessment to identify material topics in our ESG management and reflect them in our ESG strategies and decision-making. In 2025, we conducted a double materiality assessment in accordance with the European Financial Reporting Advisory Group's (EFRAG) Materiality Assessment Implementation Guidance to enhance reliability of the assessment and alignment with international standards. In addition, we reflected principles for selecting reporting topics in the European Sustainability Reporting Standards (ESRS) and Global Reporting Initiative (GRI) Standards to ensure systematization and objectivity in our assessment.

The double materiality assessment is a process that comprehensively analyzes sustainability topics from two perspectives, and ultimately determines material topics given those perspectives. Those are impact materiality assessment analyzing the impacts of a company's business activities on environment and society, and financial impact assessment examining the potential financial risks and opportunities caused by sustainability topics. Through this, SK bioscience aims to understand key stakeholders' expectations and regulatory requirements and establish strategies to create a long-term corporate value.

Double Materiality Assessment Process

Step 1. Identifying Topic List

To understand the Company's sustainability topics, SK bioscience considered business activities across the value chain and both internal and external stakeholders and reviewed the previous year's sustainability topic list. In addition, we comprehensively analyzed domestic and international peer review and benchmarking, global ESG ratings and disclosure standards, and global initiatives to identify key sustainability topics in bio industry. Through this process, a total of 25 sustainability topics were determined.

Step 2. Analyzing Impact, Risk, and Opportunity

SK bioscience conducted various metrics-based analysis to identify the impacts, risks, and opportunities of 25 sustainability topics.

Impacts, Risks, and Opportunities

Category	Details
Impact Factors	• Benchmarking against domestic and international peers • Analysis of global ESG initiatives - ISO26000, UN SDGs, UN Global Compact (UNGC) - Pharmaceutical Supply Chain Initiative (PSCI) • ESG disclosure standard : Global Reporting Initiative (GRI) Standards
Risk and Opportunity Factors	• Review of internal materials such as KPIs and the Board meeting agendas • Domestic and international ESG disclosure and ratings metrics requirements - Morgan Stanley Capital International (MSCI) ESG Ratings - Korea Institute of Corporate Governance and Sustainability (KCGS) ESG Ratings - Dow Jones Sustainability Indices (DJSI) - Sustainability Accounting Standards Board (SASB) Standards - European Sustainability Reporting Standards (ESRS)

Step 3. Assessing Double (Impact & Financial) Materiality

A total of 25 sustainability topics were analyzed for their impact, risk and opportunity factors to assess impact materiality and financial materiality.

Double Materiality Assessment (Stakeholder Survey)

Category	Impact Materiality*	Financial Materiality
Target	• Internal and external stakeholders - Employees (relevant teams/depts. by topic), supply chain, and third-party professional organization	• Internal and external stakeholders - Employees (finance, planning, IR, ESG, etc.), and third-party professional organization
Criteria	• Aspects (Positive / Negative) • Time horizon (short-/mid-/long-term) **Materiality Assessment Factors** **Positive Impact**: Likelihood, Scale, Scope **Negative Impact**: Likelihood, Scale, Scope, Irremediability	• Aspects (Risk / Opportunity) • Time horizon (short-/mid-/long-term) **Materiality Assessment Factors** **Risk**: Likelihood, Scale **Opportunity**: Likelihood, Scale

* Evaluated impact areas by 'own operations' and 'up/downstream'

Step 4. Determining the Double Materiality Assessment Results

Based on double materiality through various metrics analysis and stakeholders' survey, we prioritized five impact material topics and three financial material topics. The five impact material topics are: 1) Talent Acquisition and Professionals Development, 2) Strengthening Product Safety and Quality, 3) Enhancing Access to Healthcare, 4) Hazardous Chemicals and Pollutants Management, and 5) Implementing Ethical Compliance Management. The three financial material topics are: 1) enhancing access to healthcare, 2) enhancing product safety and quality, and 3) talent acquisition and professionals development.

SK bioscience discloses detailed information on all sustainability topics, including impact and financial material topics, through this ESG website. In addition, material topics were finalized through the Board-level review, and targets and performance are transparently disclosed by aligning them with our management and ESG strategies.

Sustainability Topic List

● Impact material topic ● Financial material topic

E (Environmental)	S (Social)	G (Governance)
Hazardous Chemicals and Pollutants Management ●	Talent Acquisition and Professionals Development ● ●	Implementing Ethical and Compliance Management ●
Action on Climate Change	Strengthening Product Safety and Quality ● ●	Enhancing Transparent/Responsible Management centered on the Board
Improving Resource Efficiency and Recycling	Enhancing Access to Healthcare ● ●	Transparent Tax Management and Payment
Strengthening Management of Water Resources	Promoting Human Rights Management and Diversity	Building Sustainable Innovation and Market Leadership
Conducting Biodiversity Conservation Activities	Practicing Customer Satisfaction Management	Strengthening Stakeholders Communication and Disclosure
Minimizing Products' Lifecycle Environmental Impact	Enhancing Workplace Safety and Health of Employees	Integrated Management of Financial and Non-financial Risks
Managing Environmental Management Goals and Performance	Building a Sustainable Supply Chain	
	Information Security Management	
	R&D and Clinical Trial Ethics Compliance	
	Ethical Marketing and Consumer Rights Protection	
	Expanding Corporate Philanthropic Activities and Community Value Creation	
	Promoting Employee Happiness	

Priority	Impact Material Topics (5)	2024-2025 Ranking Change
1	Talent Acquisition and Professionals Development	▲ 9
2	Strengthening Product Safety and Quality	▲ 1
3	Enhancing Access to Healthcare	▲ 10
4	Hazardous Chemicals and Pollutants Management	▲ 2
5	Implementing Ethical and Compliance Management	▼ 1

Priority	Financial Material Topics (3)	2024-2025 Ranking Change
1	Enhancing Access to Healthcare	▲ 12
2	Strengthening Product Safety and Quality	▲ 1
3	Talent Acquisition and Professionals Development	▲ 7

* While 2024 material topics were eleven in total, including 1) securing mid- to long-term growth engines, 2) embedding ESG into the Company, 3) strengthening product safety and quality, 4) implementing ethical and compliance management, and 5) action on climate change, this year we focused on five impact material topics and three financial material topics, in line with our enhanced materiality assessment process and the level of material topic management. 'Enhancing access to healthcare' was added as a new material topic reflecting the nature of the industry and business environment, while 'talent acquisition and professionals development,' 'hazardous Chemicals and pollutants management,' 'strengthening product safety and quality,' and 'implementing ethical and compliance management' were selected as material topics again this year.

Impact Material Topics

SK bioscience selected five material topics with significant environmental and social impacts across the value chain. To analyze the impact of each topic, we defined the relevant value chain areas and key stakeholders, and evaluated the time horizon (short, medium, and long-term) and impact aspects (positive and negative). Based on this, we have established impact management strategies and presented mid- to long-term goals and performance outcomes, which are strengthening ESG management practices linked to our business.

Impact Material Topics

Priority	Topic	Impact Materiality						
		Impact Area in Value Chain	Key Stakeholders	Time Horizon[1)]			Impact Aspects[1)]	
				Short	Mid	Long	Positive	Negative
①	Talent Acquisition and Professionals Development	Worksites, Supply Chain	Employees	◐	●	○	●	○
②	Strengthening Product Safety and Quality	Worksites, Supply Chain, Product/Service	Customers, Business Partners, Shareholders/Investors	●	◐	○	●	○
③	Enhancing Access to Healthcare	Worksites, Supply Chain, Product/Service	Customers, Local Communities	◐	◐	●	●	○
④	Hazardous Chemicals and Pollutants Management	Worksites, Supply Chain	Employees, Business Partners, Local Communities	●	◐	◐	●	◐
⑤	Implementing Ethical and Compliance Management	Worksites, Supply Chain	Employees, Business Partners, Shareholders/Investors	●	◐	◐	●	○

1) ●: High, ◐: Medium, ○: Low

① - Talent Acquisition and Professionals Development

Business Context

To become a global vaccine and biotechnology company, SK bioscience has established Talent Database (TDB) and conducted customized recruitment for prospective job seekers. We also provide various training programs to improve employees' practical competencies and strengthen their professionalism. SK bioscience's efforts to secure and foster experts in vaccine and bio industry will contribute to the development of a sustainable domestic and global bio industry ecosystem.

Impact Management Strategy

SK bioscience operates a global talent recruitment program and implements workforce development programs under the strategy of securing talent and fostering professional manpower.

‹Mid- to Long-term Target›	‹2024 Performance›
• Operation of recruitment programs to secure talent with global competencies and core experiences • Fostering the next generation of talent through training/field trips as a Global Training Hub for Biomanufacturing (GTH-B)	• Operated on-demand recruitment and smart onboarding programs for top talents • Fostered bio talents through the Park Mahn-Hoon Scholarship • Improved language skills through global language trainings and other programs • Conducted 2,613 internal and external training courses to strengthen employees' job skills

② - Strengthening Product Safety and Quality

Business Context

SK bioscience produces, manages, and sells pharmaceutical products in a GMP (Good Manufacturing Practices) environment at home and abroad based on a quality management system (QMS). We also strive to strengthen the safety and quality of our products by conducting clinical research and trials, quality assurance, and pharmacovigilance throughout the entire life cycle of pharmaceutical products based on the regulations and guidelines of the Ministry of Food and Drug Safety and each country in which we operate. Strict quality and safety management for biopharmaceuticals, which are directly related to life, leads to customer reliability, and in the long run, increases resource efficiency to minimize unnecessary consumption of resources or raw materials.

Impact Management Strategy

SK bioscience contributes to the creation of a sustainable public health system by enhancing product safety and quality through a rigorous Quality Management System (QMS) across all processes, from drug development to customer purchase.

‹Mid- to Long-term Target›	‹2024 Performance›
• Promoting product safety and quality through regular quality inspections and expanding targets of product safety and quality training	• Introduced an electronic Quality Management System (eQMS) to upgrade the management system for real-time product quality-related deviations management, change management, corrections, and prevention

③ - Enhancing Access to healthcare

Business Context

SK bioscience is committed to improving public health in low- and middle-income countries (LMICs) through participation in multilateral procurement markets of international organizations and implementation of the SKYShield strategy based on 'glocalization' business. We aim to address health inequalities in LMICs by expanding access to healthcare and contribute to the long-term reduction of social costs and strengthening of public healthcare systems through early prevention of disease.

Impact Management Strategy

SK bioscience is involved in several projects and research aimed at creating a global bio-ecosystem to address the global vaccine supply imbalance.

‹Mid- to Long-term Target›	‹2024 Performance›
• Strengthening partnerships with the Gates Foundation, the International Vaccine Institute (IVI), and others to enhance vaccine supply systems in low-income countries and at the global level • Building pandemic preparedness through regional decentralization ('Glocalization') of vaccine supply chains	• Reduced global vaccine disparities and increased access through participation in the Regional Vaccine Manufacturing Collaboratives (RVMCs) • Collaborated with WHO, GAVI, and others to improve vaccine supply chains • Conducted PV training for business partners in LMICs • Expanded the ecosystem foundation by supporting basic research, awarding the Park Mahn-Hoon Prize, and participating in global curriculum

④ - Hazardous Chemicals and pollutants Management

Business Context

SK bioscience strives to recycle and reuse resources used in all production processes of products. In line with the tightening of global regulations, we have advanced the hazardous chemicals management system and utilized our own wastewater treatment facilities to effectively reduce the risk of water pollution. Protecting the health and environment of our communities and customers is top priority, and enhancing the pollutants and hazardous chemicals management can boost customer trust and lead to long-term brand value.

Impact Management Strategy

We have established an environmental management system (EMS) in accordance with ISO 14001 standards and conduct annual compliance assessment for a total of 12 environmental laws including the Water Environment Conservation Act and the Clean Air Conservation Act to identify environmental risks and opportunities. We also strive to minimize environmental impacts, including zero environmental pollution and chemical leakage accidents.

‹Mid- to Long-term Target›	‹2024 Performance›
• Implementing various projects to improve recycling rates • Continuous update of pollutants checklist items through monitoring of laws and regulations and enhancement of management system	• Conducted regular hazardous chemicals safety training for all employees • Andong L HOUSE : Usage of eco-friendly refrigerants and regular air quality measurement to manage exhaust gas emissions • Established a separate discharge system for laboratory washing liquid to manage water resources

⑤ - Implementing Ethical and Compliance Management

Business Context

SK bioscience's ethics and compliance management goes beyond mere legal obligations and creates various social values such as supplying safe medicines, securing research credibility, creating a fair industrial environment, and building social trust. To this end, SK bioscience has established the Code of Ethics and ethical management principles based on the belief that 'transparent management practices are the beginning of true sustainable management.' We operate an ethics and compliance management system based on the Code of Ethics Practice Guidelines that considers various stakeholders, provide a reporting channel for unethical behavior, and undertake independent audits to ensure transparent management practices.

Impact Management Strategy

SK bioscience has established and operated ethical management-related regulations and guidelines to prevent risks in advance and internalize ethical practices in terms of Prevent-Detect-Respond.

‹Mid- to Long-term Target›	‹2024 Performance›
• Strengthening the ethical management system through communication and raising awareness of ethical practices • Preventing sales order violations and embedding ethical management system by expanding Compliance Program (CP) education and monitoring marketing expenses	• Improved compliance management implementation efficiency through the development of e-Legal system • Implemented the Company/SK Group ethical management training • Implemented workshops and surveys on ethical management practices

Financial Material Topics

SK bioscience selected three financially material topics that have a significant impact on financial performance, including assets, revenue, earnings, and cash flows. In the analysis of each topic, we carefully considered the areas of impact in terms of cost, revenue, and risk, and reviewed the time horizon (short, medium, and long-term) of impact and the aspects (risks/opportunities). We report our detailed strategies and performance by topics under the main ESG disclosure framework (governance, strategy, risk management, metrics and targets) and plan to actively consider them in management strategy.

Financial Material Topics

Priority	Topic	Financial Materiality					
		Financial Impact Areas	Time Horizon[1]			Impact Aspects[1]	
			Short	Mid	Long	Risk	Opportunity
①	Enhancing Access to Healthcare	• Revenue	○	◐	●	○	●
②	Strengthening Product Safety and Quality	• Cost • Revenue • Risk	●	●	○	◐	◐
③	Talent Acquisition and Professionals Development	• Cost • Revenue	◐	◐	◐	○	●

1) ●: High, ◐: Medium, ○: Low

① - Enhancing Access to Healthcare

Governance

To improve global public health and reduce vaccine supply imbalances, we regularly review and oversee the issue of expanding access to healthcare at the Board of Directors and ESG Committee levels. Major investments, global vaccine partnerships, and fund contributions are reviewed through internal decision-making process.

Strategy

SK bioscience is working with various national and global organizations to expand access to vaccines to improve global public health and reduce disparities. We are responding to diseases with a high public health burden, such as influenza, zoster, varicella, and typhoid, through our self-developed vaccine portfolio, SKYVAX, and continue to expand global supply, focusing on low- and middle-income countries (LMICs). We are also promoting the SKYShield strategy to respond to the imbalance in the global vaccine supply chain, enhancing vaccine self-reliance capabilities in health-underserved regions such as Thailand through a 'glocalization' model that transfers R&D and production technologies to the local level.

- **Opportunity**: Reducing healthcare financial costs and gaining access to new markets in LMICs

Risk Management

SK bioscience operates the Investment Committee in case of new projects or investments to expand access to healthcare, which comprehensively deliberates and reviews strategic suitability, investment cost-effectiveness, risks, and ESG impacts. The committee deliberated and reviewed various issues to enhance access to healthcare, including participation in multilateral procurement led by international organizations and expansion of SKYShield strategy target countries.

Metrics and Targets

- Continued expansion of supply to international organizations such as PAHO and UNICEF
- Continued expansion of vaccine supply countries
- Enhancing product quality control

② - Strengthening Product Safety and Quality

Governance

SK bioscience systematically conducts product safety and quality management throughout the entire drug lifecycle in strict compliance with the guidelines of the Ministry of Food and Drug Safety and regulatory agencies in each country. In addition, based on internal audits, quality audit system of business partners, and QA operation systems, we have advanced a risk prevention-oriented quality management system that covers all stages from product design to production and shipment.

Strategy

SK bioscience has established a quality system based on the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) and global standards to continuously enhance the safety and quality reliability of pharmaceutical products. We apply GMP and quality standards to the entire process of production and distribution of clinical and commercial products at home and abroad and are continuously enhancing quality operation system by managing and supervising critical processes on-site, effectively managing process deviations, and ensuring data integrity.

- **Opportunity**: Increasing brand value and sales by improving product reliability
- **Risk**: Product safety and quality control failures resulting in product recalls and loss of customer trust

Risk Management

SK bioscience operates a pharmacovigilance (PV) system and safety signal detection procedures to proactively manage quality and safety risks that may occur at all stages of the drug life cycle. Based on adverse event reports collected from medical professionals, we analyze the signals and continuously monitor the occurrence of adverse events using post-marketing quality data. Based on this information, we proactively prevent quality issues through organic collaboration between the QA/QC and the manufacturing departments.

We identify supply chain risk, CMO quality issues, and non-compliance risk in advance to establish response strategies, and we systematically record and manage major quality issues such as product recalls, customer complaints, and adverse events through the QMS (Quality Management System).

Metrics and Targets

- Enhancing suppliers' training and inspection to improve supplier quality and safety management
- Establishing and operating a drug recall system for efficient management of recall drugs

③ - Talent Acquisition and Professionals Development

Governance

SK bioscience checks the efficiency of its workforce operations through CEO reporting and executive meetings and makes decisions on fostering experts and strategic staffing for key projects.

Strategy

We operates a system that predicts human resource needs in advance to secure excellent talents, recruits and retains the right people at the right time, and continues to operate customized training programs for each job and position through the 'SKBS Academy' so that new recruits can quickly adapt and grow in the organization.

- **Opportunity**: Recruiting and fostering experts to accelerate a sustainable innovation

Risk Management

At SK bioscience, we recognize that proactively securing talented people and enhancing their job skills directly contributes to the Company's growth and productivity. By securing talented people with expertise and execution skills at an earlier stage, we can speed up the development of high-value-added R&D projects and accelerate sales growth by shortening the timeline for new vaccine launches and increasing the likelihood of technology commercialization. In addition, we expect that global vaccine experts trained through partnerships with global vaccine education cooperation systems (WHO, IVI, etc.) will lead to the expansion of our vaccine exports, technology transfer projects, and joint R&D opportunities.

Metrics and Targets

- Establishing mid- to long-term strategy of recruiting and expanding talent pool for acquiring professionals

ENVIRONMENTAL



Environmental Management Framework

Environmental Management Framework & Policy

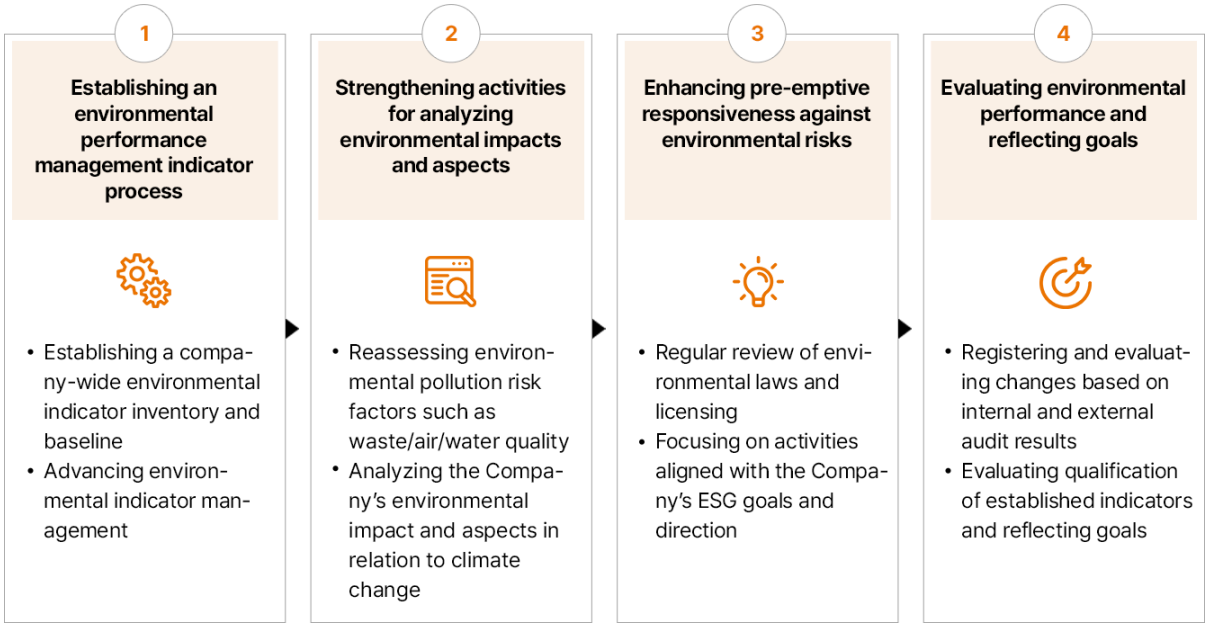
SK bioscience implements and operates an Environmental Management System (EMS) and establishes SHE (Safety, Health, Environment) management policies to enforce environmental management. We comply with environmental regulations according to international environmental management standards and perform regular monitoring and audits. As a result, SK bioscience obtained ISO 14001 certification in 2022 and has maintained it continuously.

Entity	Certification Scope	Date Acquired	Certification Body
SK bioscience	100% of production facilities	November 17, 2022	KSR Certification Institute

※ Research or office facilities are excluded from the certification scope.

Details of Certification Audits

Category	Frequency	Conducted By
Initial Audit	Once (November 2022)	KSR Certification Institute
Internal Audit	Once (December 2024)	SHE Dept.
Surveillance Audit	Once (November 2024)	KSR Certification Institute
Certification Audit	Once every 3 years (Scheduled in 2025)	External Audit Organization



Environmental Management Policy

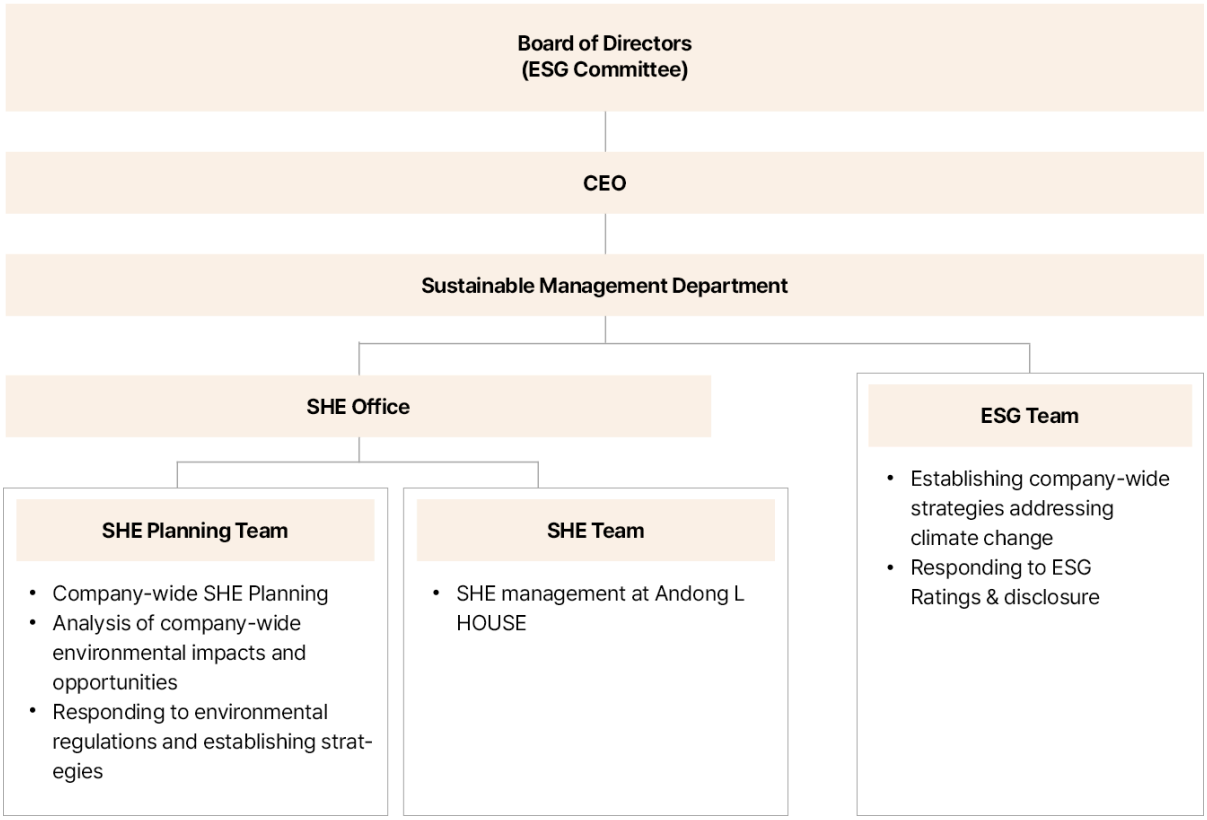
1. Throughout the entire process of worksite design and business operations from R&D to production, distribution and disposal, we put our efforts to use resources and energy sustainably, reduce environmental pollutants and chemical emissions, and recycle waste and wastewater.
2. We operate an Environmental Management System (EMS) and continuously manage improvement performance by regularly monitoring all worksites and business partners.
3. We comply with environmental laws and regulations and invest in combating global climate change and preserving local ecosystem and environment.

As a Contract Manufacturing Organization (CMO) of pharmaceuticals, IDT Biologika (hereinafter IDT) has a relatively large environmental footprint and consumes more resources than non-manufacturing companies. Thus, IDT certified ISO 50001 to set the energy management system in place and tackles the environmental impacts caused by high energy consumption. Furthermore, IDT plans to obtain ISO 14001 on environmental management systems (EMS) for facilities in Magdeberg and Dessau in 2026.

Environmental Management Governance

At SK bioscience, the Head of SHE under the Sustainable Management Department oversees company-wide environmental management, and the Board of Directors and the ESG Committee deliberate and approve related agendas. In line with the Company's operational status, the SHE Planning Team is responsible for company-wide environmental planning and management tasks for Pangyo offices (HQ, R&D Center), while the SHE Team in Andong is in charge of environmental management tasks for Andong L HOUSE. Furthermore, the ESG Team develops environmental goals and strategies related to ESG, regularly reporting to the ESG Committee and the Board.

For effective environmental management, we regularly report the status and performance of environmental management to executives and reflect it in our corporate policies. In 2024, the HQ and Andong L HOUSE reported to the management on the environmental performance related to resource circulation, including monthly waste disposal, cumulative recycling rate, and recycling rate improvement. In addition, the Board approved the 2024 environmental management performance and 2025 company-wide initiatives. These initiatives include supplementing plan for 2025 company-wide Environmental Management System (EMS), strengthening environmental regulation responsiveness, and improving the level of laboratory environmental management.



Environmental Goals & Performance

Environmental Management Goals

SK bioscience has established and managed mid- to long-term goals such as carbon emissions reduction, and resources recycling to fulfill the environmental management.

Carbon Emissions Minimization

- Achieving Net Zero by 2031
- Reducing fossil fuel consumption
- Expanding eco-friendly energy facilities
- Continuing activities to reduce its carbon footprint & Increasing the offset amount

Resources Recycling

- Making zero landfill waste by setting up a recycling system
- Prioritize the use of eco-friendly/green materials

Environmental Impacts Minimization

- Achieving zero environmental pollution and chemicals leakage accidents
- Monitoring process flow constantly through the ENBMS[1)]
- Minimizing environmental load by proactively reviewing environmental factors during the business planning stage

1) ENBMS : Engineering Building Management System

Mid- to Long-term Environmental Management Goals

Category		Target	Action Plan
Waste	Recycling Rate	3% Increase (Annual)	Increased waste separation and identifying or converting additional recyclable waste, etc.
Chemicals	Occupational Illness Cases	0 Cases (Maintenance)	Maintenance of zero occupational illness cases by strengthening management of hazardous substance exposure
Air	No. of Pollutant Emissions Violations	0 Cases (Maintenance)	Continuation of air emissions improvements
Water	No. of Pollutant Emissions Violations	0 Cases (Maintenance)	Enhancement of emission prevention management and regular monitoring

Environmental Performance Assessment

SK bioscience regularly monitors, analyzes, and assesses the Company's environmental management performance. Our key operation, Andong L HOUSE, maintains ISO 14001 certification, the international standard for environmental management system. In accordance with ISO 14001, we conduct an Environmental Management Review (EMR) on a quarterly basis to check the system operation status, and the results are reported to key executives, including the CEO.

Additionally, we ensure objective and transparent monitoring of our environmental management system by conducting annual third-party verifications. Furthermore, we conduct quantitative and qualitative assessments by incorporating environmental factors into Key Performance Indicators (KPIs) of the Head of SHE. And we are working to refine evaluation components to reflect the global business environmental change and the needs of external stakeholders.

IDT has several buildings and equipment, which fall under the German restriction of the Federal Emission Control Act and the Water conservation Act. According to those two federal top-level Acts, IDT is periodically inspected and audited by governmental representatives. Those environmental impact audits are embodied into an annual wastewater treatment plant audit, inspections once every three years, and audits of cooling towers once every five years. No deviation was detected in the governmental inspection and audits in 2024, and annual environmental report is presented to and approved by the C-suite.

Compliance with Environmental Regulations

SK bioscience conducts annual compliance assessment for 12 environmental laws, including the Water Environment Conservation Act, Clean Air Conservation Act, Wastes Control Act, and Chemicals Control Act to identify environmental risks and opportunities. Recognizing the dynamic nature of environmental regulations, we maintain and update a documented list of applicable laws to our facilities. Detailed compliance assessment for individual regulations helps us identify and address any deficiencies early, facilitating timely corrective actions and improvements. As a result of our systematic management following the PDCA Cycle on a yearly basis, we have not been cited for any violations of environmental laws and regulations during the past four years (2021-2024) of regulatory visits.

Regulatory Response Strategy

SK bioscience monitors major domestic and international laws and regulations related to our business activities, and has established a strategy to proactively respond to them. To operate this systematically, we have managed monthly data for each indicator in the internal data management network (DIP Portal), and as a result, no violations of environmental laws and regulations have occurred.

Regulation	Regulatory Strategy & Response
Water Environment Conservation Act	SK bioscience has established a water quality management plan in accordance with the Water Environment Conservation Act, and minimizes water pollutants through regular water quality monitoring, appropriate wastewater treatment processes, and handling by third-parties.
Clean Air Conservation Act	SK bioscience continuously monitors air pollutants generated through business operations to ensure compliance with the requirements of the Clean Air Conservation Act by conducting regular self-measurement of air pollutants and obtaining legal authorization for facilities changes.
Wastes Control Act	SK bioscience consigns all waste generated at worksites to waste disposal companies in accordance with the Wastes Control Act. In addition, we have established a monitoring system for waste disposal, continuously evaluate waste disposal companies, and change the companies that can handle recycling to improve the recycling rate at workplaces.
Framework Act on Carbon Neutrality and Green Growth for Coping with Climate Crisis	SK bioscience has voluntarily measured and verified the Greenhouse Gas (GHG) emissions of Andong L HOUSE and Pangyo sites since 2022 to respond to the climate crisis and realize carbon neutrality, and we are systemically managing the emissions status under the GHG emissions target since 2024 as Andong L HOUSE has been selected as a target management worksite.

Environmental Management Activities

Building Eco-friendly Worksites

LEED Certification Achievement



LEED Gold-level Certification

SK bioscience has applied eco-friendly technologies to the design and construction stages of each business sites. The HQ and R&D Center have earned a Grade 1 Energy Efficiency for office buildings, and the highest grade in domestic and international eco-friendly building certifications by applying 101 eco-friendly materials and technologies.

Andong L HOUSE applied 16 new eco-friendly technologies, including eco-friendly and well-being technologies that save energy and water resources. The factory was designed to achieve up to 30% energy savings compared to conventional methods by introducing LED lighting and toilet water recycling facilities. As a result, it became the world's first LEED Gold-certified eco-friendly pharmaceutical factory in 2013.

The Songdo R&PD Center incorporated Incheon's Green Building design standards, Grade 1+ Energy Efficiency and LEED Gold design standards into the building design process to effectively reduce greenhouse gas emissions and promote low-carbon green growth.

Establishment of Eco-Friendly Infrastructure at Worksites

SK bioscience operates eco-friendly vehicles to reduce air pollutants and greenhouse gas emissions from its corporate fleet. By the end of 2024, six eco-friendly vehicles are in operation, with plans to gradually increase this rate to 22% by the time the Company relocates to the Global R&PD Center in 2026.

In parallel, SK bioscience is enhancing its green infrastructure by installing electric vehicle charging stations at the Global R&PD Center. These initiatives are part of the Company's efforts to reinforce practical environmental management and establish a robust low-carbon operational foundation.

Environmental Training

SK bioscience conducts environmental trainings through mySUNI, the SK education platform, to enhance employees' understanding of environmental risks and promote eco-friendly activities. The program covers ESG trends and essential concepts for implementing environmental management, such as RE100, Net Zero, and eco-friendly technologies. We actively enhance employees' understanding and encourage eco-friendly practices in their daily lives.

At Andong L HOUSE, we include the environmental management program in the 'safety and health training at recruitment' targeting new employees, and effectively enhance employees' understanding of environmental management through practical training on the status of environmental facilities in the worksite, environmental hazards, and waste discharge management.

Starting from 2025, we will expand environmental trainings for all employees by establishing a separate environmental-themed training courses with the goal of strengthening company-wide environmental awareness.

2024 Environmental Training Status

Category	Detail
Training Name	Environmental Management Training
Purpose	Raising environmental awareness among new hires
Target	New Hires
Total Number of Trainees	94 persons
Training Hours per Person	1 Hour

Purchasing Eco-friendly Products

SK bioscience is dedicated to minimizing environmental risks by promoting the use of eco-friendly raw materials among major suppliers. In this way, we strive to reduce environmental risks throughout the production process and promote a culture of sustainable purchasing.

In the future, we aim to gather data on carbon emissions and the environmental impact of these suppliers, and are committed to gradually incorporating environmental factors into our supplier selection and evaluation processes, making them crucial indicators. Based on this framework, we will expand the purchase of green raw materials and strengthen our sustainable procurement strategies.

Evaluation Criteria for Purchasing Eco-friendly Raw Materials

Certification Marks Utilization	Eco-friendly Manufacturing Process	Eco-friendly Packaging	Recyclable & Sustainable Raw Materials
Using ISO 14001, an eco-friendly product certification of an international environmental protection organization, as an evaluation criterion during supplier selection	Reviewing the use of eco-friendly methods during the manufacturing processes	Promoting the use of paper and biodegradable plastics in packaging	Considering the recyclability and sustainability of raw materials when making a purchase

Supporting Supply Chain Environmental Management

SK bioscience systematically evaluates the environmental management capabilities and environmental risks of its suppliers through ESG management assessment in the supply chain. We evaluate the overall environmental management level of suppliers, including environmental goals and policies, environmental management system, and conduct the assessment by segmenting areas such as greenhouse gas emissions and energy consumption.

Furthermore, based on the assessment results, we suggest short-, mid-, and long-term improvement tasks for each supplier and provide comprehensive improvement consulting to support various improvement measures to establish environmental management in the supply chain.

Assessment Area	Content
Environmental Management	Establishment of environmental goals and policies / Environmental management implementation system / Monitoring environmental management performance / Violations of environmental laws and regulations
GHG Emissions	GHG emissions measurement / Efforts to reduce GHG emissions
Energy Consumption	Energy usage measurement / Renewable energy usage measurement
Raw Materials	Raw materials usage efficiency system / Recycled raw materials usage measurement
Waste Management	Waste footprint measurement / Waste reduction & recycling / Waste recycling measurement
Hazardous Chemicals	Hazardous chemical emissions measurement / Product contents monitoring / Management of lifecycle safety management of hazardous chemicals
Air Pollutants	Air pollutants emissions measurement / Facilities to reduce air pollutants emissions
Water Resource Management	Water usage measurement / Facilities for water pollutants control & treatment / System for water usage reduction



Net Zero Roadmap

Scope 1 & 2 Net Zero Roadmap

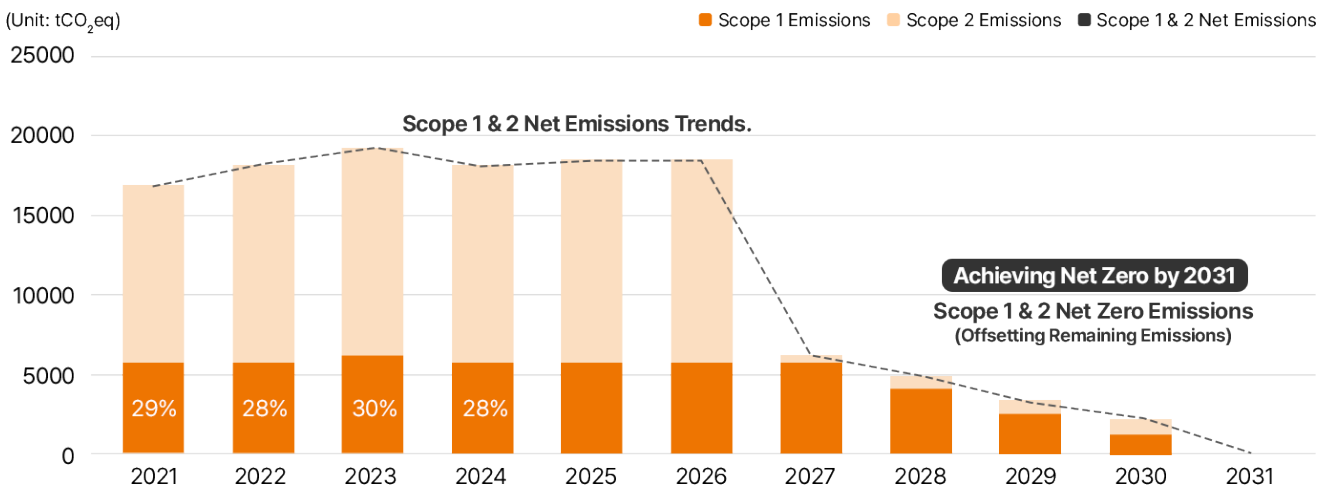
In 2022, SK bioscience conducted an analysis of greenhouse gas emissions across all of its worksites based on methodologies proposed by the Science Based Targets initiatives (SBTi). The Company then publicly announced its first mid- to long-term roadmap targeting Net Zero by 2031.

Scope 1 emissions primarily result from the use of LNG fuel in the boilers at the Andong L HOUSE. SK bioscience aims to promote green fuel switching in line with the government's policy of promoting and expanding hydrogen infrastructure. Scope 2 emissions mainly arise from electricity consumption. SK bioscience signed a renewable PPA (Power Purchase Agreement) in 2024, with the goal of sourcing renewable energy from 2027.

The Company is currently recalculating its Business As Usual (BAU) emissions to reflect the inclusion of the Andong L HOUSE expansion and the Global R&PD Center within its greenhouse gas reporting boundaries. In line with this, the Net Zero roadmap is being further refined, and the updated version will be transparently disclosed in the near future.

1) PPA (Power Purchase Agreement): Contract for Electricity Purchase

2031 Net Zero Roadmap



※ Post-2025 emissions may vary depending on the expansion/operation of Andong L HOUSE and Songdo R&PD Center.

Scope 1 & 2 Net Zero Scenario

Direct GHG Emissions (Scope 1)

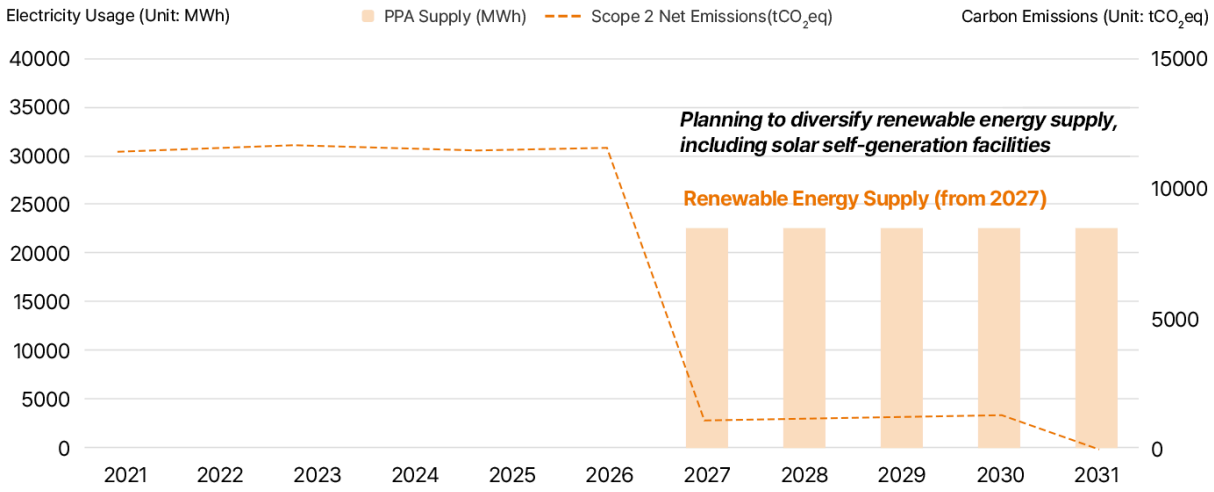
| Hydrogen Energy Transition Scenario |

Scope 1 stationary combustion emissions account for 29% of the total emissions, with over 97% originating from LNG boilers at the Andong L HOUSE. Hydrogen energy is gaining attention as a clean energy source. However, market stability in terms of supply, demand, government policies, and infrastructure will take time to achieve. Accordingly, SK bioscience plans to continuously monitor hydrogen-related regulations and pricing in the short to mid-term and gradually replace its boilers with hydrogen co-firing or full hydrogen boilers.

Indirect GHG Emissions (Scope 2)

Renewable Energy Transition Scenario

Approximately 71% of SK bioscience's greenhouse gas emissions fall under Scope 2, with 98% of these emissions originating from electricity usage. Therefore, transitioning from traditional fossil fuel-based power sources to renewable energy is central to the Company's Net Zero strategy. SK bioscience plans to secure renewable energy through a PPA (Power Purchase Agreement) and will continuously monitor and adjust for anticipated emissions changes due to the operational environments of facilities such as Andong L HOUSE and Songdo Global R&PD Center. We remain committed to flexibly responding to climate change risks amid rapidly evolving domestic and international business environment.



Financial Impact Analysis According to Net Zero Scenario

SK bioscience signed a long-term supply contract for 20 MW of renewable energy per year in 2024 and will procure solar power for L HOUSE in Andong from 2027 to 2046.

Accordingly, we categorize rising industrial electricity prices and increased operating expenses due to procurement of renewable energy as transition risks/opportunities and regularly monitor the trend of electricity price changes and their financial impact annually. As of the first half of 2025, the mid- to long-term financial impact of procuring renewable energy from 2027 is estimated to be approximately KRW 3 billion per year on average.

SK bioscience will publicly disclose an updated Net Zero roadmap given the expansion of our worksites. Also, we will regularly monitor and transparently disclose the financial impact of Net Zero implementation.

Governance

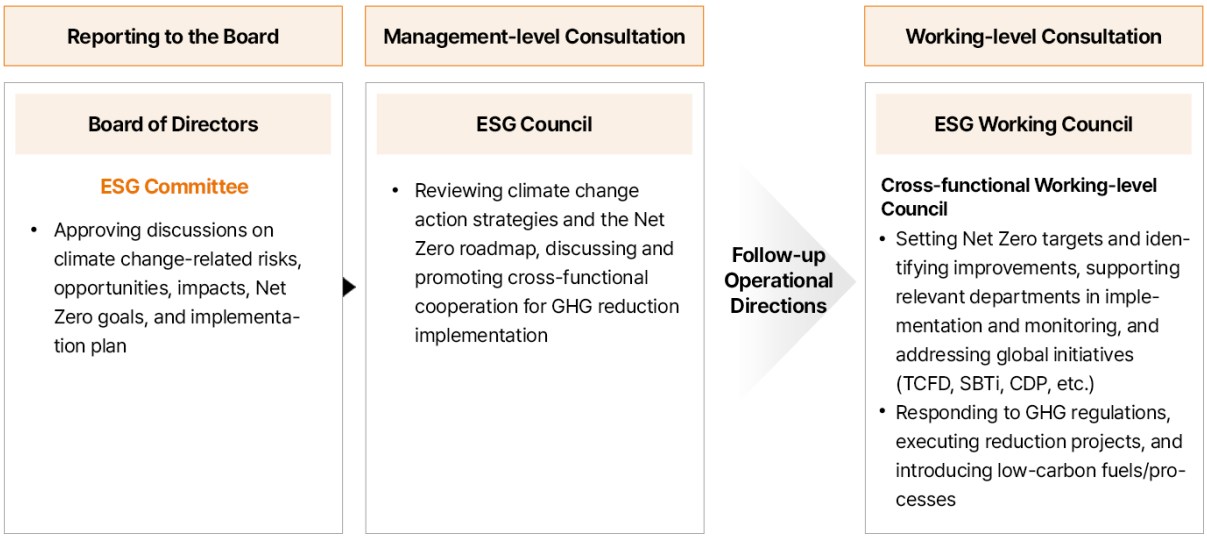
Management & Supervision of the Board of Directors

SK bioscience's top decision-making bodies, namely the Board of Directors and the ESG Committee, are responsible for issues concerning climate change response strategies and activities. The Board holds the responsibility for managing and supervising all ESG management factors, including climate change. The ESG Committee evaluates risks and opportunities, assesses ESG management performance, and monitors and reports the implementation progress of climate change responses to the Board. Furthermore, the Board secures climate change leadership by integrating ESG performance into the CEO's key performance indicators (KPIs) and compensation system.

Roles of Executives

SK bioscience operates an ESG Council to respond to major company-wide risks. The ESG Council makes decisions on key issues such as greenhouse gas reduction measures and investment activities, in addition to management strategies to respond to climate change. It also regularly monitors the activities of the departments in this regard, including strategy and risk management. Furthermore, SK bioscience operates ESG Working-level Council to support the decision-making process of the Board of Directors and ESG Committee and enhance the working-level collaboration.

Climate Change Response Implementation Framework



Board Oversight of Climate Change Agenda

Category	Date	Agenda (Content)
Board of Directors	April 24, 2024	Proposal for SK Group-wide renewable energy joint PPA (Power Purchase Agreement)
	November 23, 2022	Report on progress in climate change response
	October 26, 2022	Publication of TCFD Report
	July 27, 2022	Update on progress in climate change response
ESG Committee	April 17, 2024	Proposal for SK Group-wide renewable energy joint PPA (Power Purchase Agreement)
	April 17, 2023	Implementation of RE100 initiative
	October 13, 2022	Publication of TCFD report
	July 20, 2022	Report on progress in climate change response

Strategy

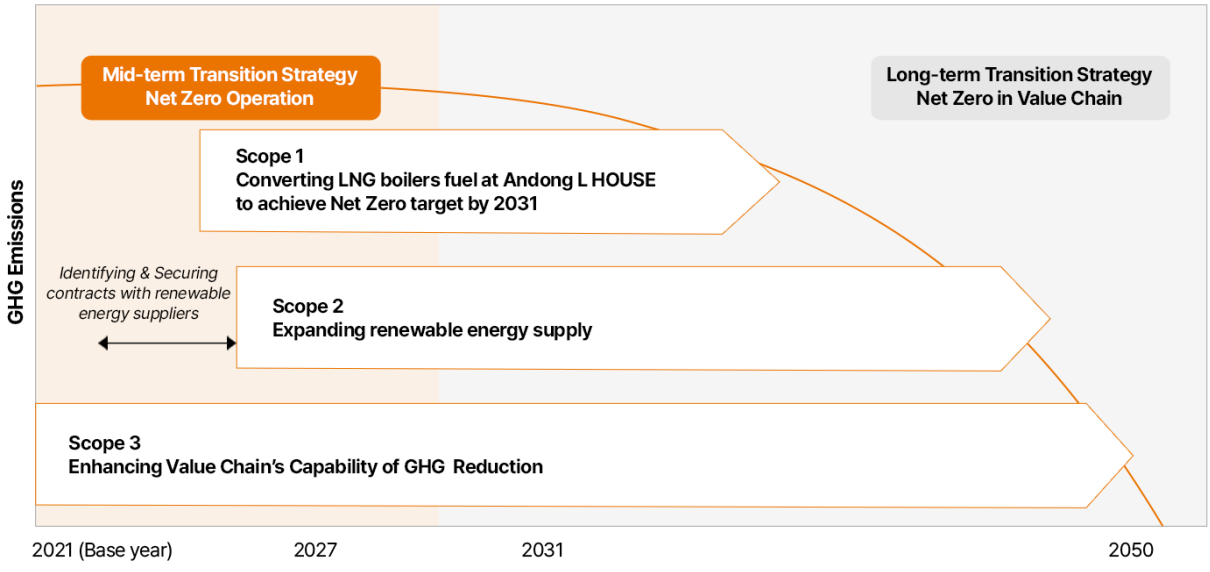
Net Zero Operation – Short- & Mid-term Strategy to Achieve Net Zero at Worksites

SK bioscience has set a GHG Net Zero goal and developed a roadmap in alignment with the Science Based Targets initiative (SBTi). In addition, we have identified GHG emissions by major sources at worksites through voluntary GHG verification since 2021 and have established strategies for fuel switching and RE100 adoption to refine the Net Zero goal. At the same time, we have analyzed the economic feasibility of Net Zero costs to enhance the strategy implementation. We will also refine and update the Net Zero roadmap accounting for changes in reporting boundaries and publish it accordingly.

Net Zero in Value Chain – Long-term Strategy to Respond to Climate Change

SK bioscience has completed the calculation of Scope 3 emissions for 2022 in order to plan reduction activities throughout the entire value chain. We plan to respond in stages by identifying the amount of GHG emissions in major categories. To achieve Scope 3 Net Zero, we will implement a gradual reduction strategy, starting with the conversion of internal and external fleet to electric vehicles in the short term. Additionally, we will collect product LCA data and up/downstream emissions database.

Worksite Net Zero Roadmap

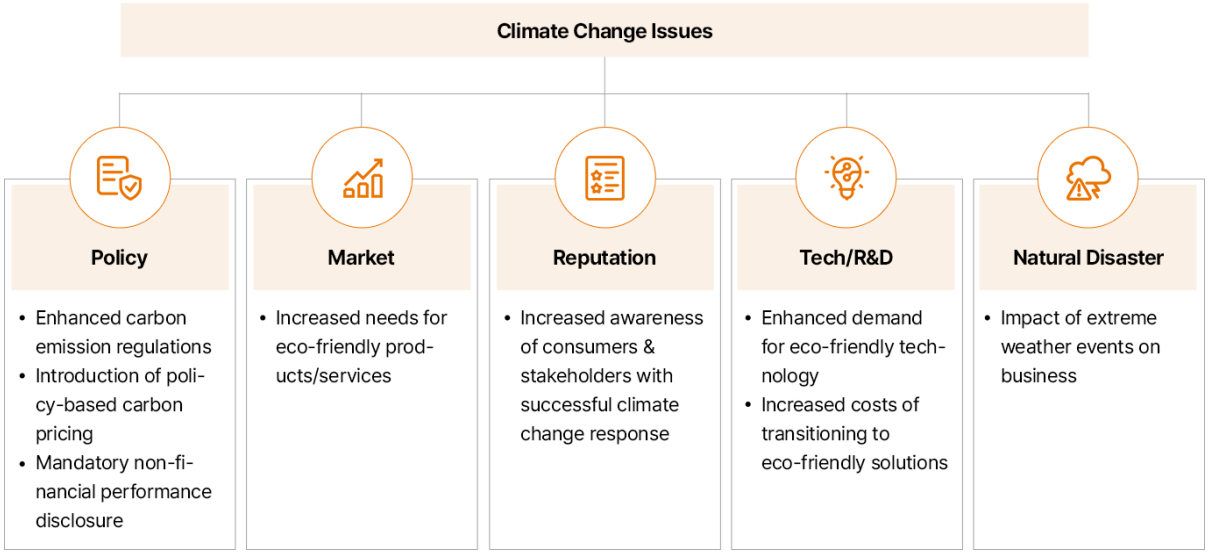


Assessment of Climate Change Risks & Opportunities

In line with the 2022 TCFD's recommendations, SK bioscience has identified risks and opportunities that affect the sustainability of its business and future response to climate change. At the policy level, the strengthening of carbon emission regulations and the introduction of carbon pricing act as drivers to accelerate corporate carbon reduction efforts. Additionally, the trend of mandating non-financial performance disclosure is promoting transparent reporting of carbon reduction performance.

In the market, growing demand for green products and services is driving a premium for low- and zero-carbon products. From a reputation perspective, we anticipate that an organization's brand image will soon be influenced by its climate change response performance, highlighting the importance of relevant R&D and technological capabilities. We also expect that extreme weather events will impact business operations and assets.

Climate Change Factors



Climate Change Risks & Opportunities

Climate change brings about various risks and opportunities that can directly or indirectly impact our financial and non-financial performance. Recognizing the significance of climate change on our business, SK bioscience has categorized these risks into transition risks and physical risks, and conducted risks and opportunities assessments. Building upon the evaluation outcomes, we plan to consistently manage the impacts of climate change.

Category		Climate Change Issues	Risks	Opportunities	Our Approach
Transition Risks & Opportunities	Policy/Law	Introduction of carbon tax/Regulations on carbon emissions	• Introduction of policy-based carbon pricing & Increased carbon price burden	-	• Establishment & implementation of plans to achieve Net Zero goals, and Disclosing results
		Increasing trend of disclosing climate change action status	-	• Increased sustainability of global collaborations as EU, U.S., and global organizations mandate disclosure of climate change actions	• Strengthening responses to global initiatives to secure external trust
	Market	Growing global needs for sustainable life sciences	• Risk of reduced valuation due to failure to adequately respond to global pandemics, disease growth and spread • Increased need to respond to post-pandemic trends regarding vaccine self-sufficiency and strengthening biosecurity	• Potential to enhance the presence as a vaccine maker by taking a leading role in climate change actions • Contributing to preventing the spread of disease caused by climate change	• Setting a Net Zero goal & unveiling an implementation strategy • Strengthening vaccine supply to developing countries • Increasing R&D, production, and supply of products related to diseases and infectious diseases
		Increasing possibility of receiving negative feedback from stakeholders and rising social costs	• Stakeholder demand for a stronger response to climate change	-	• Setting Net Zero goals • Disclosing progress status and strategies & strengthening external communications
	Reputation	Increasing trend of disclosing climate change action status	• Reduced opportunities to engage in business of association (C(D)MO) due to inability to meet the climate change requirements of global companies	-	

Category		Climate Change Issues	Risks	Opportunities	Our Approach
		Stakeholders' perception of climate change response performance and communication	• Decreased brand trust due to delayed action on climate change	• Strengthening branding based on public commitments, including climate change action	• Monitoring & managing climate change action performance & encouraging business partners • Strengthening external communications on infectious diseases response status
	Technology	Increased demand for technologies that reduce environmental impacts and rising cost for low-carbon transition	• Increased environmental burden from waste and single-use packaging materials • Pollution of aquatic ecosystems during manufacturing, including organic solvents and pharmaceutical spills • Delays in research or decreased opportunities for research collaboration	-	• Simplifying packaging, upcycling, replacing with recycled materials, etc. • Establishing a low-carbon product R&D plan

Category		Climate Change Issues	Risks	Our Approach
Physical Risks	Acute	Heat wave	• Increased infectious diseases, heat illnesses due to rising temperatures and humidity • Increased power usage and costs in production facilities and offices due to rising temperatures and heat waves	• Reviewing potential risks of infectious diseases and heat-related illnesses & Enhancement of response measures • Monitoring & Managing power consumption • Identification & Implementation improvement plans
		Wildfire	• Increased risk of damages to workplace facilities, structures, lives, and property by wildfire	• Establishment & Implementation of a workplace safety and health management policy • Establishment of a dedicated safety and health division • Conducting regular facility inspections and assessments
		Typhoon	• Possible loss of workplace facilities and structures due to strong winds • Loss of life and property damage due to lost facilities	

Category	Climate Change Issues	Risks	Our Approach
Chronic	Torrential downpour	• Risks of river flooding, external water reflux, and flooding in low-lying areas due to torrential downpour	• Evaluation & Improvement of disaster prevention measures • Operating safety and health goals/performance management system
	Increased extreme weather events	• Spread of vector-borne infectious diseases due to changes in the habitat of insects, rodents, etc.	• Reviewing the potential risks for emerging infectious diseases and zoonoses • Enhancing infectious disease proactive response
	Average temperature increase	• Increased investment costs due to expanded power and cooling capacity of production facilities and offices	• Replacing power-intensive facilities & Promoting operational efficiency • Promoting workplace energy efficiency (eco-friendly building design, certification, etc.)

Risk Management

Climate Change Risk Management System

To manage climate change risks that have a direct or indirect impact on both financial and non-financial performance, SK bioscience conducts evaluations of potential climate-related risks. These evaluations take into account the timeframe (short-, mid-, and long-term), and financial impact. The ESG Team collaborates with relevant departments to identify and assess climate-related issues, and subsequently reports them to the management. The management incorporates the identified risks and opportunities, along with their actual and potential impact, into their decision-making process. The risk management system reflects domestic and international climate change policy objectives, Net Zero goals and achievements, and the level of exposure to climate risks. The key findings are then reported to both the ESG Committee and the Board of Directors.

The ESG Committee is systematically monitoring climate change risks and opportunities, and we plan to internalize climate change risk management into the integrated financial and non-financial risk management and reporting framework. Accordingly, we will minimize negative risks from climate change by identifying potential impacts on the entire Company in the event of severe climate change risks and proposing countermeasures.

Climate Change Risk Management Process

1. Identifying Climate-related Risks

- Reporting to the Board on business and operational risks associated with climate risks through the ESG Committee
- Identifying and reporting risks to management and the Board from business units and the ESG Team to incorporate climate risk into future new business and investments.

2. Evaluating Climate-related Risks

- The ESG Team: evaluating investment and business risks in consideration of the criteria for climate-related risks(scale, operation, capability, willingness to mitigate risks, etc.)
- The range of evaluation can be adjusted based on the characteristics of the biotech sector, operation, transaction characteristics and scale. The evaluation result determines the metrics.

3. Risk Management Activity

- Implementing policies to manage risks by business area, collecting and analyzing data, including GHG emissions
- Disclosing climate-related risks and conducting external verification of the accuracy, clarity, comparability, and timeliness of the information
- Reducing manageable risk exposures of climate-related metrics, determining targets that can be improved

4. Result Reporting

- The ESG Team: Reporting on risk exposure levels, metrics, and level of target achievement
- Investment and business projects with high climate risks should be approved by the CEO and involve consultation with external experts. Employees regularly review and work towards improving the management practices with project managers, aiming to transition towards a sustainable business.

Metrics & Targets

Net Zero Targets Implementation

SK bioscience aims to reduce greenhouse gas emissions by introducing and expanding the use of renewable energy in the mid- to long-term. The Company will gradually enlarge renewable energy usage at worksites such as through the staged conversion of LNG fuel to hydrogen for the Andong L HOUSE multitube-through boilers and the supply of solar-generated electricity, and redefine goals and strategies as our reporting boundaries have been expanded.

Category		Unit	2023	2024	2025	2026	2027	2028	2029	2030	2031	Target Year
Net Zero Targets Response	Scope 1 Reduction Rate	%	0	0	0	10	10	20	30	50	100	2031
	Scope 2 Reduction Rate	%	0	0	0	0	90	90	90	90	100	

Category	Detail		Target Year
Worksites GHG Reduction	Renewable Energy Usage	23,277 MWh	2027
	Renewable Energy Usage Ratio	90%	

Scope 3 Calculation Results & Management Plan

SK bioscience calculates and continuously manages its Scope 3 GHG emissions in order to reduce them not only from its own business sites but also throughout the entire value chain. To calculate Scope 3 GHG emissions, we have selected the main categories and methodologies in line with domestic and international standards necessary for the calculation. We have identified and collected data such as the cost and quantity of raw materials purchased, fuel usage, and emission factors. Moving forward, we will continuously manage Scope 3 GHG emissions by advancing the template and methodology for data collection and analysis.

The majority of Scope 3 GHG emissions come from category 1 (Purchased Products & Services). Therefore, to reduce GHG emissions in our value chain, we will continue to work with key stakeholders, including intensively managing business partners.

GHG Emission Status : Scope 3

	Category	Emissions (tCO_2 eq)	Ratio (%)
1	Purchased Products & Services	19,488	59
2	Capital Goods	401	1
3	Fuel & Energy	7	0
4	Upstream Transportation	1,574	5
5	Waste	656	2
6	Business Trip	794	2
7	Commute	1,012	3
8	Lease in	-	-
9	Downstream Transportation	1,198	4
10	Processing	-	-
11	Product Use	14	-
12	Product Disposal	7,758	24
13	Lease Out	-	-
14	Franchises	-	-
15	Investments	-	-
	Total	32,901	100

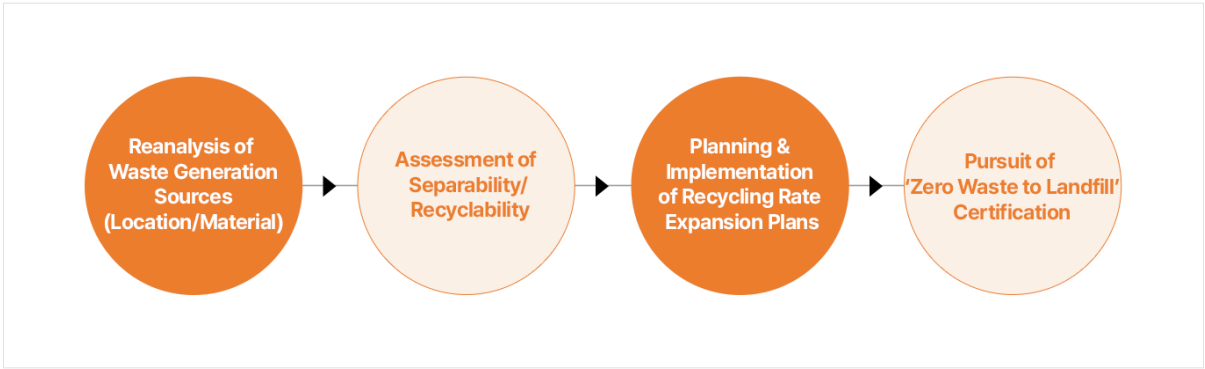


Waste Management

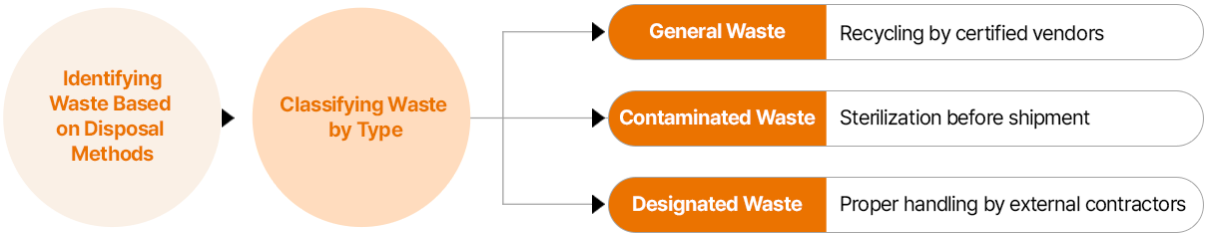
SK bioscience actively promotes the recycling and reuse of resources throughout all stages of product manufacturing and operates a waste management system to prevent environmental pollution. The Company closely monitors waste generation status at each stage of process and tracks the entire lifecycle—from generation to final disposal—to minimize environmental impact.

Especially, wastes that pose a potential risks to human health or the environment are separately sorted and sterilized prior to disposal to neutralize harmful effects. Designated wastes are managed in strict compliance with relevant regulations and are handled separately through authorized external contractors. General wastes are legally disposed of and further handled for recycling by partnering with certified recycling vendors.

To support systematic waste management, data on waste generation is regularly collected and reported. In 2025, SK bioscience plans to initiate various recycling projects to further improve its recycling rate.



Process Monitoring and Waste Classification Process



Since 2023, SK bioscience has implemented annual internal audits of waste management contractors handling onsite waste. These audits assess the compliance of waste processing and the adequacy of treatment facilities. The findings are quantified based on our own criteria and used to decide contract renewals or to mandate corrective actions. Additionally, we continuously update audit checklist through monitoring of laws and regulations for effective and transparent management.

Target	No. of Contractors	Inspection Frequency	Inspection Results
Waste Disposal Contractors	16 (8 in Andong/8 in Pangyo)	At least once per year	No notable issues detected (As of January 2025)

Key Inspection Items

1. Consistency between licensed waste processing facilities and those in operation (including storage and prevention facilities)
2. Possession of adequate processing capacity (including facilities, vehicles, and personnel)
3. Compliance with permitted storage volumes and storage periods
4. Implementation of safety measures (such as the use of protective gear, safety devices, and workplace lighting)
5. Status of complaints and administrative actions
6. Compliance with legal processing, including any re-delegation to other companies

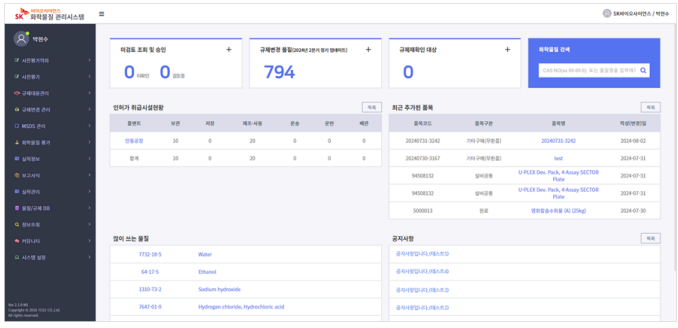
Hazardous Chemicals Management

In July 2024, SK bioscience introduced the Chemical Management System (CMS) to comply with chemical-related laws and regulations and to proactively respond to them, as the importance of managing hazardous substances is growing due to strengthening global regulations. We conduct pre-arrival assessments for all chemicals and manage the entire process from usage to storage and disposal to prevent accidents and diseases that could threaten the safety of workers and local communities.

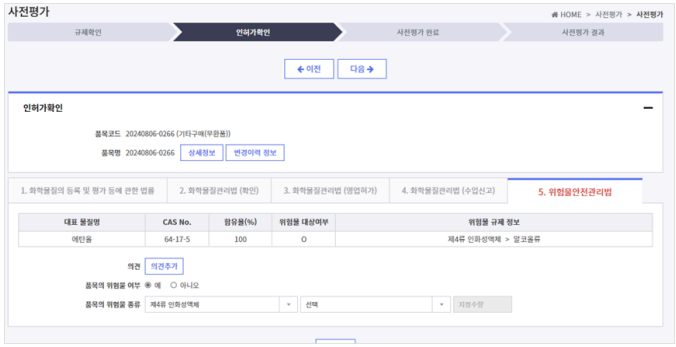
In addition, chemical product information is managed in accordance with the latest GHS-MSDS[1)] standards, based on which appropriate protective equipment is selected, special medical examinations are conducted, and work environment measures are taken. In the case of imported chemicals, the purchase is made after completing appropriate licensing procedures through preliminary review by a designated department, and hazardous chemicals are handled safely in appropriate facilities such as limited exhaust systems. At facilities handling hazardous chemicals, managers are appointed to conduct regular self-inspections and monitoring. We will continue to strengthen the safe handling of chemicals and compliance with laws and regulations through CMS-based monitoring, and strive to prevent accidents for the safety of employees and the environment.

IDT Biologika (hereinafter IDT) imports chemical substances within the EU, and these substances must be registered in accordance with the Registration, Evaluation, Authorization and restriction of Chemicals (REACH)[2)] Regulation. For hazardous substances used at the site, IDT has established operating procedures to ensure their safe handling. Additionally, a Hazardous Substance Officer regularly inspects the site and implements preventive safety measures to identify and mitigate potential risks or irregularities. Before any work begins, a risk assessment specific to the area or activity is conducted. Regular training is also provided to all employees to minimize the risk of accidents while handling hazardous substances.

1) GHS MSDS : Globally Harmonized System of Classification and Labelling of Chemicals Material Safety Data Sheet
2) REACH (Registration, Evaluation, Authorization and restriction of Chemicals Regulation): EU's regulation for chemical safety, placing responsibility on companies to assess and manage risks to health and environment.



CMS Main Screen



CMS Pre-assessment Screen

Hazardous Chemicals Safety Training

SK bioscience operates a training system to raise employees' awareness of the dangers of chemicals and their safe handling. We include key chemicals in new hire training and regular safety and health training courses for all employees. We also provide separate training on MSDS to inform the potential dangers of introducing new chemical substances. Moreover, we train chemical handlers by setting up standards for wearing protective equipment against hazardous chemicals. In 2024, we went all out to prevent related accidents by conducting special safety training for these handlers.

Air Pollutant Management

To reduce air pollutants generated by fossil fuels, SK bioscience has replaced industrial boiler fuels with LNG. We have implemented measures to manage air pollutants at the generation stage, including the addition of a number control function to operate the boilers sequentially based on steam requirements. Furthermore, we conduct regular measurements to ensure compliance with emission limits.

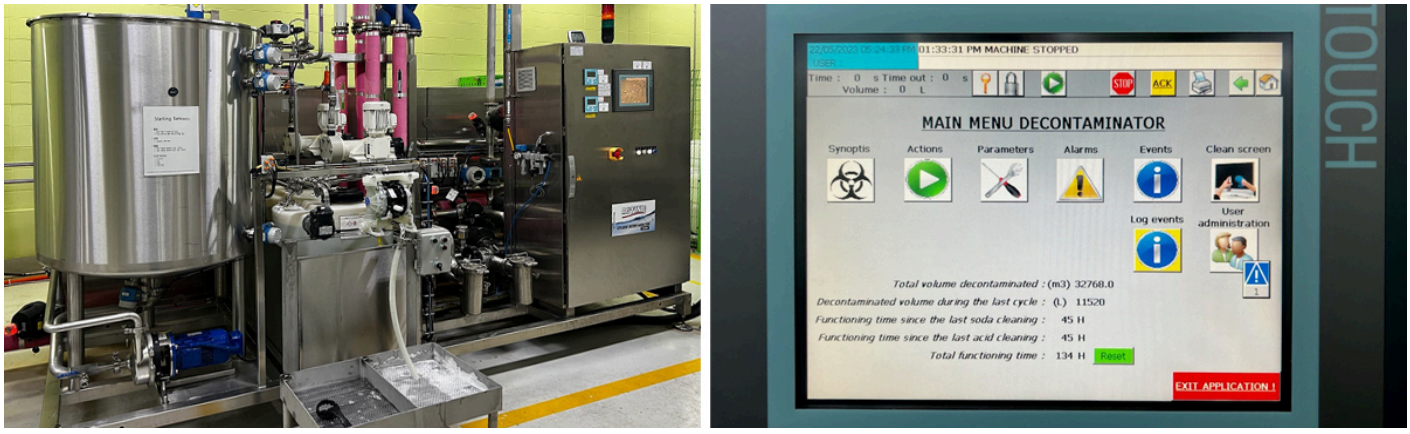
Andong L HOUSE uses eco-friendly refrigerants that minimize ozone-depleting substances generated during refrigerator operation. In addition, to manage exhaust gas within the workplace, we measure the quality of air that is coming from outside to maintain a fresh air percentage of 30% or higher compared with the standards. We control indoor pollutants and prevent the infiltration of pollutants by operating independent and local heating, ventilation, air conditioning (HVAC) equipment. This is done not only to protect both the atmospheric environment and the respiratory health of employees within the workplace.

Water Resources Management

SK bioscience's water resources management minimizes wastewater generation and reduces water consumption. We utilize in-house Biokill system to effectively reduce water pollution risk, and minimize contamination during discharge by removing biological hazards that may arise from the process, and by controlling the pH level and sterilization before discharge.

The wastewater from Andong L HOUSE is sent to a wastewater treatment facility, where it is regularly monitored to ensure that its discharge remains below the inflow concentration level approved by Andong City. Additionally, we establish wastewater reduction plans based on monthly emission data, and from 2023, we installed additional wastewater meters to precisely manage data by source.

We also work to reduce our water usage, by recycling water used in the process, installing rainwater tanks in the plant, and introducing green vegetation to minimize water use. The usage and discharge of water are measured using a flowmeter, with the figures recorded twice a day. Additionally, Andong L HOUSE outsources the treatment of all wastewater to a public wastewater treatment facility within the Gyeongsangbuk-do Bio Industry Complex. This facility adheres to stricter standards than the statutory raw wastewater discharge concentration limits, ensuring safer and more effective treatment.



Water Pollutant Management System

Biodiversity Conservation

SK bioscience deeply recognizes the value of biodiversity and the importance of preserving ecosystems, and integrate environmental conservation topic into regular training programs for employees. We also protect the natural environment and ecosystems in the vicinity by preserving the original form as much as possible when expanding business sites.

In 2024, we selected the 'Phygasia fulvipennis' as a protected species through a biodiversity survey near Andong L HOUSE, and ran employee-participating clean-up campaign to preserve the habitat of the species. In 2025, we are planning to organize protection activities for nationally designated and protected wildlife species living in Andong. Meanwhile, our new global R&PD Center in Songdo plans to minimize water pollution and reduce the impact on biodiveristy by treating wastewater generated during R&D and discharging it into the West Sea through the Songdo Sewage Terminal Treatment Plant. SK bioscience will continue to coexist with local ecosystems, practice biodiversity conservation throughout its business activities, and create sustainable environmental values with local communities.

IDT is also committed to protecting and supporting biodiversity by creating habitats for various species of plants and animals, helping to preserve the natural ecosystem. Since 2022, the northern section of the Biopharmapark has hosted a ‘bee hotel’, which is maintained by an IDT employee who is also an amateur beekeeper. In collaboration with TEW Service which is an affiliated company of IDT, four bee colonies have been established. The bees benefit from optimal feeding conditions throughout the year in the Biopharmapark, thereby contributing to the area's biodiversity. IDT also made a donation to the Klix3 project, a research initiative focused on climate neutrality and funded by the Federal Ministry for Economic Affairs and Climate Action, reinforcing the company's commitment to environmental protection. Additionally, IDT employees participated in environmental protection activities organized by BUND - Friends of the Earth Germany, incorporating these initiatives into team-building efforts.



S O C I A L



Talent Acquisition & Management

Talent Acquisition Framework

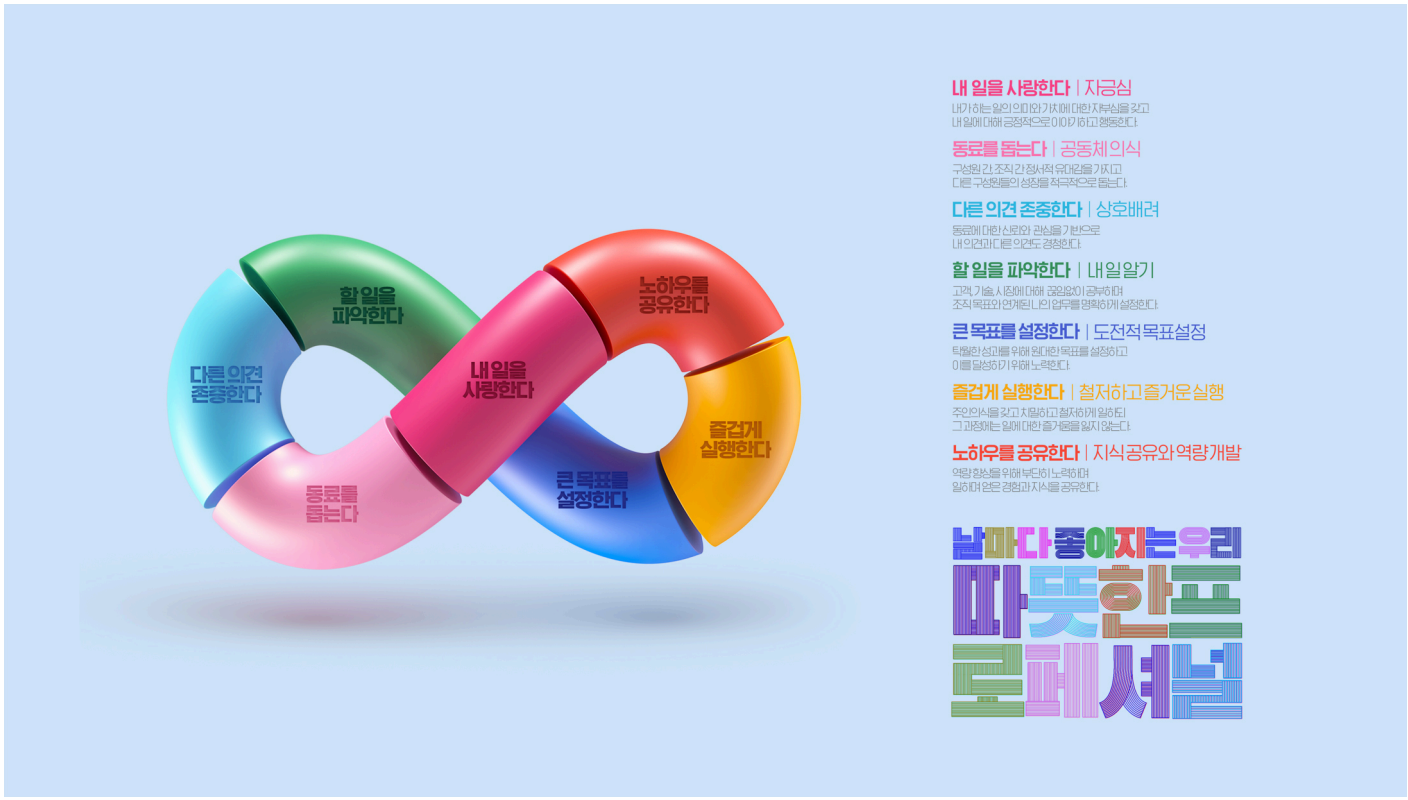
SK bioscience operates various talent recruitment and development programs to foster experts who will lead the Company's future growth and bring individuals and organizations together. To expand our global business and secure future growth engines, we recruit talented individuals with exceptional capabilities and potential globally.

We secure optimal talents by establishing a job scheme-based recruitment strategy that focuses on the human resources necessary to achieve our business goals, and we shift to full-time recruitment to ensure timely placement of talented employees in place. We also actively utilize SK Group's Talent Pool, specialized pharmaceutical and bio recruitment search firms, and external recruitment platforms to target prospective job seekers with excellent skills. After joining the Company, we help new hires quickly adapt to the work and organization through our Smart Onboarding Program.

Talent Acquisition Networking	Global Talent Job Fair	Selection of Scholarship Students	Strengthening Targeted Recruitment
• Global talent networking activities to secure expertise in vaccine R&D	• Participating in major domestic and international job fairs such as the Korea Pharmaceutical and Bio-Pharma Manufacturers Association Job Fair and the Job Fair for International Students	• Selecting & awarding scholarships for outstanding students from major domestic universities	• Defining future core talents & Building TDB (Talent Database) • Strengthening targeted recruitment by utilizing LinkedIn, Remember platforms

SK bioscience's Ideal Talent : Warm-hearted Professionals

SK bioscience's growth into a global vaccine and biotechnology company beyond Korea has been the result of the efforts of not only numerous R&D personnel but also behind-the-scenes talent who have been supporting the entire process. SK bioscience is committed to fostering talented individuals with warm hearts and expertise. To this end, we operate various training and reward systems based on our unique talent characteristics of "warm-hearted professionals" and strive to cultivate a healthy corporate culture. To lay the groundwork for future growth of SK bioscience, SK bioscience will continue to recruit and nurture outstanding talent, while also doing our best to improve the welfare and work environment for all employees.



Diversity Policy & Framework

Diversity & Inclusion

SK bioscience treats all employees equally regardless of their background, including gender, disability, age, nationality, region of origin, and education, in the recruitment and promotion process.

To this end, we have established and continuously manage key diversity indicators such as gender pay ratio, gender ratio by position, turnover rate, and ratio by employment type, and take measures for improvement issues identified through the analysis of these indicators. In addition, we operate a reporting and whistleblowing system to promptly respond to various discriminatory and unethical behaviors.

To raise awareness among employees about diversity, we conduct training on diversity policy at least once a year, including disability awareness, gender discrimination prevention, and respect for diversity. Additionally, under the responsibility of the management, the outcomes of diversity policy and human rights education, along with survey results, are reviewed and reported to the Board of Directors and the HR committee to serve as a basis for enhancing the sustainability and inclusiveness of the organization.

Workforce Diversity Status and Goals

Category	2024 Status	2025 Goal
Female Employee Ratio	40.0%	40.0%
Female Executive Ratio	21.0%	21.0%
Disability Employment Ratio	3.3%	3.3%

IDT Biologika (hereinafter IDT) adheres to the General Act on Equal Treatment, a federal law aimed at preventing all forms of discrimination, harassment, and bullying. In accordance with the General Act on Equal Treatment, IDT has established a policy that outlines the responsibilities and key principles for ensuring equality and inclusion. As a part of the General Act on Equal Treatment and the inclusion policy, IDT requires all new employees to undergo mandatory trainings. Any violations of the policy can be reported at any time to line managers, the HR department, or through the whistleblower system.

IDT is committed to hiring individuals regardless of their age, origin, or nationality, fostering a diverse and inclusive culture with a zero-tolerance policy towards discrimination. As of 2024, IDT employs people from 30 different countries. To support integration and enhance communication, IDT offers online language courses and a dedicated language mentor program.

Enhancement of Female Leadership

SK bioscience strives to create a female-friendly organizational culture where competent female talent can fully demonstrate their abilities to grow into next-generation leaders and become role models. We ensure women's participation in the decision-making process and fair opportunities for leadership. In addition, we foster female leaders by increasing the number of female executives and providing female leadership training and mentoring.

The Ratio of Female to All Employees
40%

The Ratio of Female Leaders to All Leaders
21%
(Team Leaders & Executives)

(As of the end of 2024)

Maternity Protection System



SK bioscience has created a female-friendly workplace. We offer various supports such as maternity cash grants, childbirth-related medical expense support, and institutional supports through contracts with childcare centers to protect maternity. Especially we provide an environment where female employees can flexibly work by promoting work-family balance through Flextime.

Employment Expansion for People with Disabilities

SK bioscience puts forth ceaseless efforts to realize social value through active 'job creation and employment for people with disabilities'. As of the end of 2024, we recorded 3.3%, surpassing the compulsory employment rate for people with disabilities. Furthermore, we consistently engage in job development activities in collaboration with the Employment Agency for people with disabilities to provide diverse job experiences in various fields for individuals with disabilities. We will put our continuous efforts to be the best practice through quality employment for people with disabilities.

Percentage of Employees with Disabilities **3.3%**

(As of the end of 2024)

Employee Capacity-building & Performance Evaluation

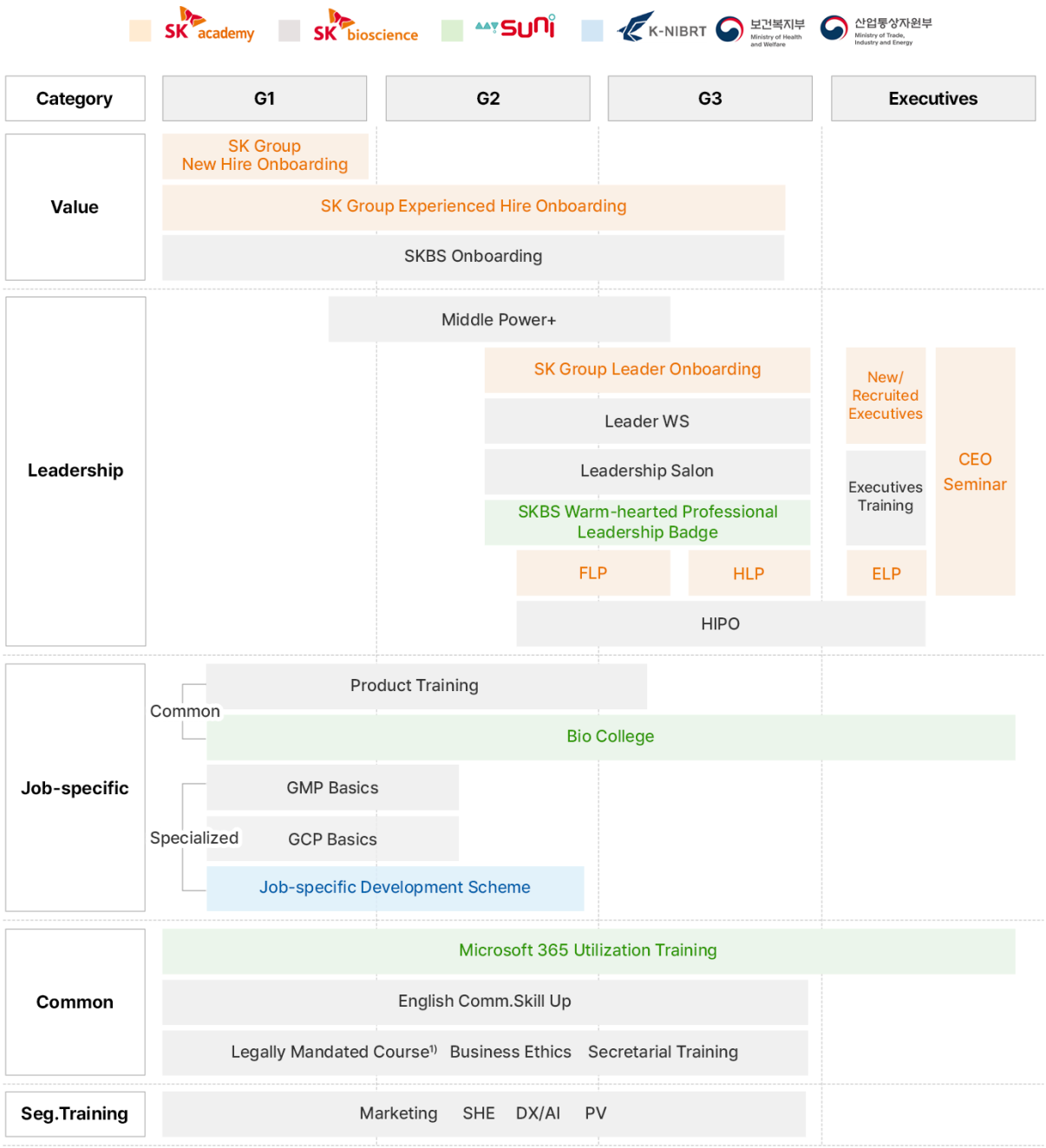
Professionals Development Strategy

SK bioscience has established a three-pronged professional development strategy to secure global talent, build an HR system for employee growth, and pursue a high-performing organization and employee happiness. To achieve these goals, we have identified and implemented key tasks in each area, including recruitment, compensation, development, and corporate culture.

Supporting the Growth of Employees

SK bioscience established the SKBS Academy system to offer diverse training programs on values, leadership, and other areas, aiming to facilitate employee growth and enhance their capabilities. We provide various courses to develop specific skills unique to the given jobs, including R&D planning and management, R&D innovation, as well as up-skilling courses for the non-R&D staffs, such as those on products manufacturing, quality management, marketing, SHE, HRM expertise, etc. The Company also provides foundation skills training courses open to all employees such as Artificial Intelligence (AI), Digital Transformation (DX), and design skills. Following the implementation of these training programs, we conduct employee satisfaction surveys and manage indicators that measure training achievements based on the survey results. We also collaborate with major associations, colleges, and institutions to design and implement programs that strengthen job-specific competencies and provide training for skills commonly required in the workplace.

IDT also offers specialized education for qualified employees in various fields, along with targeted training, workshops, and dual study programs for all employees. These programs cover areas such as pharmaceutical engineering, biotechnology, process engineering, business IT, and so on.



1) Occupational safety, disability awareness, information security, sexual harassment prevention, etc.

Support for Employee Degree Acquisition

SK bioscience operates a graduate degree support program (PhD/MBA) aimed at enhancing R&D expertise and developing professionals. This selective program considers the specific roles and responsibilities of candidates within the organization, providing growth opportunities as future experts.

Selected participants balance their regular duties with their studies, dedicating personal time to achieve admission, complete their coursework, and graduate. After completion, they are expected to contribute significantly to the organization's long-term success by leveraging their specialized skills and knowledge.

Support for Employee Leadership Growth

SK bioscience runs the ‘Leadership Development Plan’ to strengthen employee leadership, and we are establishing a systematic training infrastructure that enables all employees to continuously learn and grow.

We help and support new hires and appointed leaders gain the competencies through SK Group trainings and our own trainings including the Leader Workshop, Coaching Program, ongoing online learning (Warm-hearted Professional Leadership Badge), Leadership Salon, and Performance Management Training. Additionally, the "Middle Power+ Program" is designed to bolster leadership and understand the Value Chain for middle managers.



2024 Leader Workshop



2024 Middle Power+

Support for Employee Job Competency Enhancement

SK bioscience systematically supports job-oriented competency development for all employees at all levels, from executives to new employees. In particular, we conduct a job competency diagnosis for core job groups such as R&D, production, and quality control, and design and implement customized training contents based on the diagnosis results.

We also provide financial support for all employees to freely participate in courses at external professional organizations and systematically manage their education history through an integrated system. In 2024, 615 employees, about 60% of the total, voluntarily participated in online and offline training, with a total of 2,613 training activities completed and an average of 4.2 training courses per employee.

Measuring Training Effectiveness

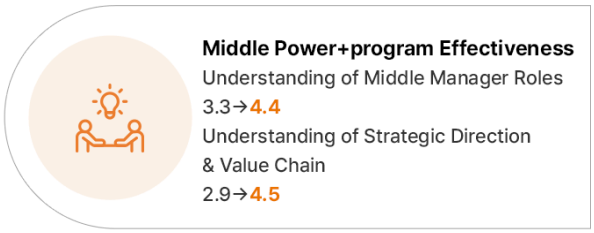
To measure the practical effectiveness of the training, SK bioscience evaluates satisfaction and goal achievement after completion.

For example, the Leader Workshop, a program that focuses on strengthening the basics of leadership and understanding the company's direction, has an average satisfaction rating of more than 4.5 out of 5.0. The post-training evaluation of the Middle Power+ Program for middle-level managers also shows quantitative improvements, such as an increase from 2.9 to 4.5 in their understanding of strategy execution and value chain.

In addition, to strengthen our employees' foreign language skills, we support the cost of language exams once a year and offer in-house language courses throughout the year. As a result, more than 50% of all employees have improved their certified language grades, and we are actively promoting global competency by supporting the learning of second languages such as Chinese and German.



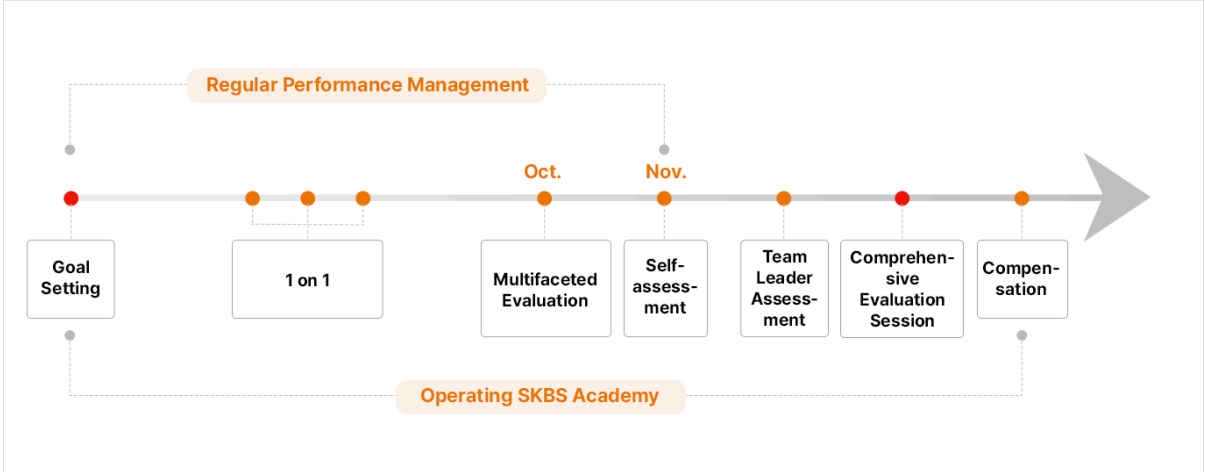
(As of 2024)



(Based on pre- and post-program surveys conducted in 2024)

HR System for Employee Growth

To facilitate continuous improvement in employees' actual performance and capabilities, SK bioscience have established an evaluation system fostering employees' talents and a compensation policy. At the beginning of each year, members set personal goals that align with organizational goals, and they have one-on-one meetings (1on1) with leaders to keep them on track. At the end of each year, they receive feedback from their peers through a multi-faceted assessment, and a final evaluation consisting of a self-assessment and leader assessment to evaluate their annual performance and competencies. As of 2024, 95% of all members have been evaluated taking into account those who were not evaluated, such as those who took a leave of absence and those who joined in the second half of the year.



Evaluation system fostering Employees' talents

Regular Performance Management

- Providing feedback on work
- Establishing a permanent performance management system that enhances performance and competencies of employees

Competency Evaluation/Assessment

- Overall assessment of competencies by separating value, common competencies, and job-specific competencies
- Conducting annual job competency and multi-faceted evaluations to identify individual strengths and areas for improvement

Compensation Policy

Market-based

- Evaluating performance contributions and competencies based on marketability
- Compensating based on external market value

Customized

- Customized evaluation considering the individual's role and job characteristics
- Differential compensation based on job value in the market and individual competencies, and performance
- Implementing individuals' competencies and performance-based incentive system across all occupations

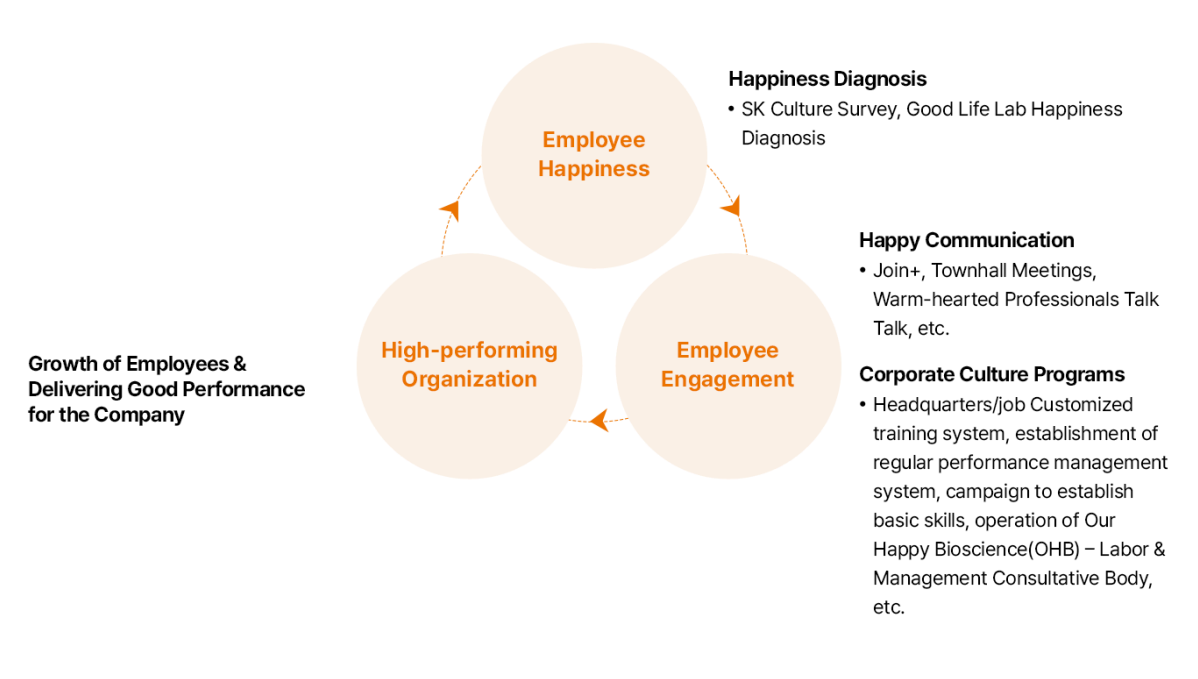
Supporting Employee Happiness

Pursing Employee Happiness & High-performing Organization

SK bioscience strives to create a happy and engaging environment for its employees, based on the virtuous cycle of happiness management. In this cycle, happy and engaged employees lead to good performance, resulting in a continuous loop of employee happiness. To that end, we are constantly striving to create an environment that keeps our members happy and fully engaged.

SK bioscience diagnoses the current level of happiness among our employees by conducting SK Culture Survey and Good Life Lab Happiness Diagnosis. Also we strengthens internal communication through various organization's culture programs, and makes continuous efforts to improve policies for employees' happiness.

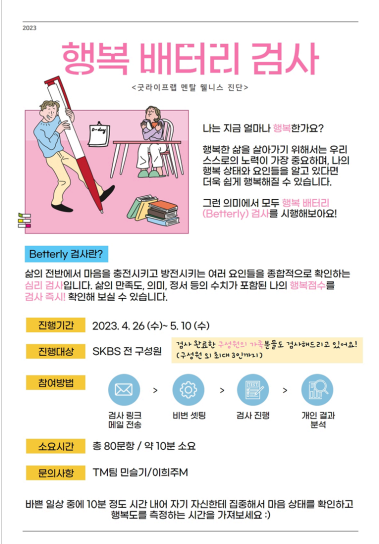
Happiness-based Management



SK Culture Survey

SK bioscience conducts the SK Culture Survey every year to diagnose its level of organizational culture. This survey helps identify issues and trends within the Company, identify tasks to resolve problems, and cultivate a happy organizational culture.

Good Life Lab Happiness Diagnosis



SKBS Happiness Diagnosis: “Happiness Battery Survey"

In July 2024, SK bioscience conducted a Good Life Lab Happiness Diagnosis for all employees to assess their personal happiness levels to identify factors that contribute to their personal/workplace happiness. Based on the diagnosis result, we provided organizational-level solutions and conducted pin-point improvements in the first half of 2025.

Activation of Employee Communication

Join+

SK bioscience operates Join+, a program that shares the Company’s business performance and the implementation process of strategic tasks with all employees on a half yearly basis. The CEO conducts Q&A sessions with employees to have open communication regarding overall management, and employees can develop a deeper understanding of the Company’s mission, vision, and overall management. Additionally, SK bioscience produces and shares corporate culture videos featuring employees. This initiative helps disseminate the Company's values and desired qualities in its workforce.

Townhall Meeting & Connect Meeting

SK bioscience operates a 'Vision Talk' program led by the CEO to communicate and share the Company's vision with employees. At Townhall Meetings, the CEO and executives freely exchange opinions with employees in a panel talk format to establish a consensus on the Company's vision. In addition, Connect Meetings allow the CEO to directly communicate with specific groups of employees, promote intimacy with employees, and share the meaning of work.

Warm-hearted Professionals Talk Talk

SK bioscience conducts Warm-hearted Professionals Talk Talk for all members. It is conducted on a quarterly basis for both leaders and employees, addressing topics such as key HR system changes and enhancement of perks and benefits. Suggestions from employees, identified through Q&A sessions, are categorized into short and medium-to long-term improvement tasks and managed accordingly for resolution.



Join+

따끈톡톡
SK bioscience Corporate Culture

Warm-hearted Professionals Talk Talk

Employee Clubs

SK bioscience operates a club system that all employees can voluntarily participate in to communicate with each other and revitalize the organizational culture. As of 2024, about 350 members are involved in 24 different clubs, enhancing collaboration and a positive organizational culture.



Better Work-life Balance

Flexible Work System & Smart Work Center Operation

SK bioscience operates a selective working hour system that aligns with the characteristics of our business sites, aiming to respect our employees' work-life balance and enhance their work engagement. Employees at SK bioscience have the freedom to adjust their commuting and daily working hours, allowing them to work more efficiently. The Company also promotes the use of the Smart Work Center enabling employees to utilize it for work and external meetings, thereby supporting flexibility in an autonomous and productive work environment.

To accommodate the diverse needs of its workforce, IDT also offers a flexible working hours system and provides options for flexible workspaces including home office and remote work, allowing employees to work from any location.



Smart Work Center (Gwanhun-dong, Seoul)

Perks & Benefits System

Living Support	Event Support	Medical/Health Support	Self-development Support	Infant Care Support
• Benefit allowances (Benepia) • SK Family Card Annual Fee Support • Purchase of eco-friendly agricultural product • Communication expense • Transportation expense • Free Breakfast & Lunch, Overtime Meal Perks • Housing loan • Student loan • Support for resort hotels	• Congratulations and condolences allowance • Congratulatory money for child's school enrollment • Long service awards	• Medical expenditures • Health check-ups • Vaccination • Group accident insurance	• Language Training	• Nursery Facility

Improvement of Perks & Benefits

SK bioscience creates a happy workplace by exceeding legal requirements, offering and continually improving a variety of welfare programs. The Company strives to enhance employees' life quality by providing various perks and benefits such as living, medical/health, event, self-development, and infant care supports. Also, we operate various leave programs to support employee refreshment and well-being. Especially, we provide six days of summer vacation per year to encourage employees to spend quality time with their families.

IDT also offers LePha (Life-phase-oriented work-time arrangements), which provides various leave options, including parental leave, breaks for shift workers, age-appropriate work models, caregiver leave, and time off for professional development.

Win-win Labor-Management Culture

Based on the SK Management System (SKMS), SK bioscience is dedicated to fostering a culture of labor-management based on cooperation and trust. To enhance working conditions and productivity for union members, SK bioscience conducts collective bargaining and wage negotiation centered by L HOUSE labor union. Through the Headquarters (HQ)/Andong Labor-Management Council, the Company actively shares and discusses management status, employee well-being, and work environment improvements.

Labor Union



A Signing Ceremony for the Wage Agreement

In 2024, SK bioscience conducted seven rounds of official negotiations with the labor union, culminating in the signing of wage agreement. This agreement was resulted in increases in base salary, as well as enhancements to the allowance for the sterile room workers and recognition union officials' training as working hours. This demonstrates the Company's continuous efforts to improve working conditions for employees.

Our Happy Bioscience (OHB) – Labor & Management Consultative Body (HQ)

SK bioscience operates the OHB (Our Happy Bioscience) in Pangyo HQ to promote employee happiness and enhance communication. It serves as a platform for employees to express their opinions and grievances when there are changes or improvements to key HR systems within the Company. In April 2023, it transitioned into the Headquarters Labor-Management Consultative Body, and five worker representatives who were elected through a vote by HQ employees are responsible for facilitating communication between labor and management, improving working environment, protecting workers, and enhancing productivity.

The Council convened four times in 2024, and the Andong L HOUSE's Labor-Management Council regularly discusses improvements to the working environment and facilities.



SHE Management System

SHE Management System & Policy

SK bioscience has established the SHE Management Policy, which states that "protect human life first, preserve the environment, and finally safeguard the Company's assets and services". This policy applies equally not only to our employees but also to all members of our suppliers, outsourcing partners, domestic and overseas entities for production and sales, subsidiaries, sub-subsidiaries and joint ventures. Additionally, all stakeholders of SK bioscience are encompassed in our SHE implementation activities, including the local community and the business ecosystem.

Based on this SHE Management Policy, we strive to realize an accident-free workplace by complying with relevant laws and standards, improving risk factors, and creating a voluntary safety culture, and to become a company trusted and supported by society.

SHE (Safety·Health·Environment) Management System

SK bioscience has established the SHE (Safety·Health·Environment) Management System, recognizing that safety, health, and environment are integral components of our management principles of promoting human health. The SHE management system is applied to workers' duties, scope of activities, and all types of resources, products, and service activities handled by workers. We consider it the cornerstone of our management activities and strive to pursue the happiness of all our stakeholders.

Misson	Elevating SHE infrastructure to drive BS 3.0 success & Establishing a sustainable SHE management system
Vision	SHE Leading Company in Pharmaceutical/Bio industry
SHE Management System	**Safety** → Protecting workers' lives and facilities through proactive accident prevention
	Health → Mitigating intoxication and disease risks from hazardous substances while enhancing health initiatives
	Environment → Preventing air, water, waste, and soil pollution & Minimizing environmental impacts


KSR

Certificate of
Occupational Health and Safety Management System

SK BIOSCIENCE-ANDONG FACTORY

PRODUCTION AND SERVICE OF MEDICINES(VACCINE)

ISO 45001:2018 / KS Q ISO 45001:2018

Certificate No. SMC-0875
Original Approval Date 24-Nov-2016
Approved dated 24-Nov-2022
Expiry Date 24-Nov-2022 ~ 23-Nov-2025

Audit Team Leader Hong-Jin, Jung
President Jang Sub Kim

IAF

KAB OC-07

ISO 45001 Certification

SK bioscience operates a safety and health management system based on ISO 45001, the international standard for safety and health management system. Andong L HOUSE acquired the OHSAS 18001 and KOSHA 18001 safety and health management certifications in 2016 and has maintained certification after transitioning to ISO 45001 in 2018. Meanwhile, the HQ and R&D Center in Pangyo are systematically managed in accordance with our SHE operation policy to prevent industrial accidents. IDT also plans to obtain ISO 45001 on occupational health and safety management system in 2025.

SHE Management Goals

SK bioscience endeavors to minimize the impact of its business activities on employees, stakeholders, local communities, and the environment by establishing SHE management goals. Accordingly, we strive to prevent SHE accidents at our worksites, comply with relevant laws and regulations, and comprehensively manage our safety, health, and environmental impacts. Moreover, in accordance with the operating regulations of the Board, we review the annual safety and health plan and report to the Board of Directors on a regular basis at the beginning of each year.

SHE Goals

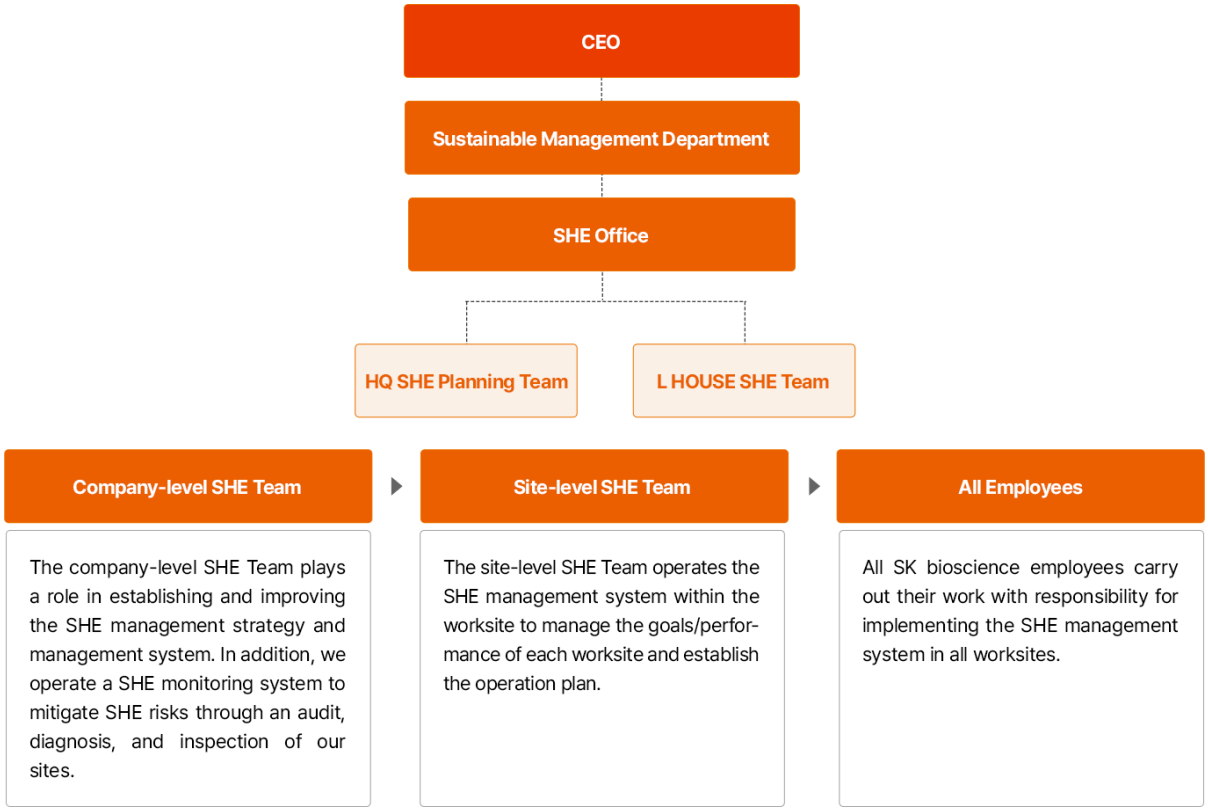
1. Establishing a safe and healthy workplace for employees and external stakeholders
2. Reducing environmental impact across all stages of business operations and product life cycles
3. Promoting a culture of Safety, Health, and Environment (SHE) that involves all employees

SHE Management Mid- to Long-Term Goals

SK bioscience strictly complies with safety and health guidelines at all workplaces and prioritizes the prevention of all accidents. Particularly, we have set the goal of achieving 'zero fatal accidents' and established a mid- to long-term roadmap to achieve this goal. To this end, quantitative targets have been set for the number of major accidents, fatalities, and the Lost Time Injury Rate (LTIR), and we are implementing improvements step by step through annual action tasks.

Category	2024 Performance	Goal				
		2025	2026	2027	2028	2029
Target	LTIR 0.090	Fatal Accidents: Zero LTIR 0.081	Fatal Accidents: Zero LTIR 0.073	Fatal Accidents: Zero LTIR 0.066	Fatal Accidents: Zero LTIR 0.059	Fatal Accidents Zero LTIR 0.053
Task	Enhancing incident prevention system and execution	Utilizing SKBS SHE Culture & Reinforcing vulnerabilities	Embedding SHE competencies & Enhancing proactive management	Building sustainability through employees' engagement	Establishing a company-wide ISO system	Completing 'field-centered SHE' that reflect SKBS characteristics
Detail	• Strengthening site-centered safety management through 'See & Do activities' including management site inspections • Reflecting SHE indicators in all management KPIs to assign responsibilities and roles • Improving operational emergency response through Set-play-based emergency response drills for each high-risk types	• Promoting a See/Say/Do culture that strengthens execution and engagement with frontline organizations • Enhancing SHE system by introducing and developing AI-based risk assessment system • Expanding Set-Play trainings to strengthen employee competencies	• Promoting behavior-based safety management • ISO Integration ✔[Step1] (Andong/Songdo integrated certification : ISO45001 prioritized) • Establishing SHE education system for each organization such as company-wide production, R&D, office workers, etc.	• Building a Site-Driven Ownership Framework • ISO Integration ✔[Step2] (Andong/Songdo integrated certification acquisition: ISO45001) • Spreading site-led SHE education through SHE specialists	• Building a Sustainable Ownership Framework • ISO Integration ✔[Step3] (Preparation for integrated certification including ISO14001) • Establishing/leading SHE council within SK Group and among Bio affiliates	• Advancing the Sustainable Ownership Framework • ISO Integratio ✔[Step4] (ISO integrate certification acquisition in SHE field) • Leading the SHE council in the domestic pharmaceutic industry

SHE Management Governance



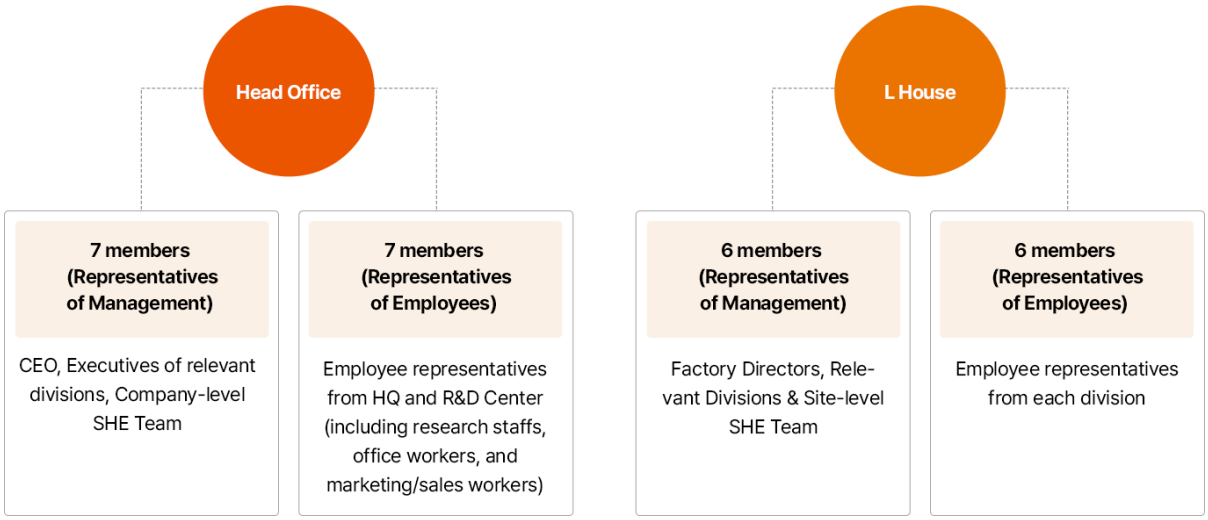
Workplace Safety & Health Management

Occupational Safety and Health Committee

SK bioscience has established a joint Occupational Safety and Health Committee between labor and management at the HQ and Andong L HOUSE, respectively, for the health of workers and accident prevention at the worksite. The Occupational Safety and Health Committee is held on a quarterly basis. It listens to the opinions of workers on changes to major safety and health regulations, including the basic safety and health management system, and strives to reflect them in practice.

In addition, we are seeking improvements and follow-up measures that can effectively protect the safety of workers by ensuring an equal number of representatives from both the employer and employee sides in the committee. The results proposed and progressed in the committee are being shared at the next meeting for further review.

Operational Status of Occupational Safety and Health Committee by worksites



Main Agenda Items of Occupational Safety and Health Committee

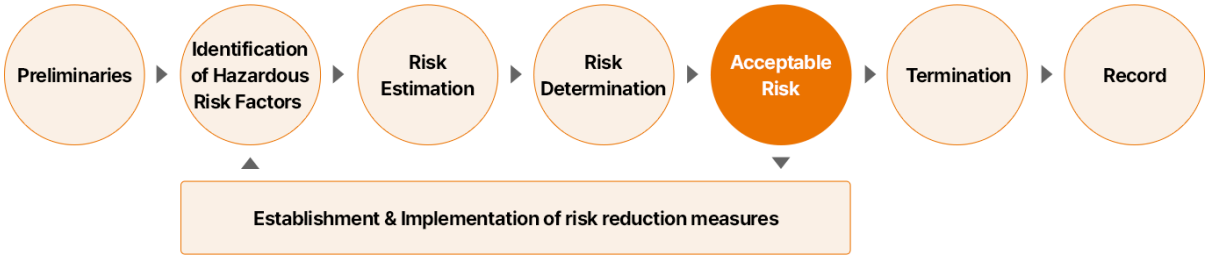
1. Setting SHE priority projects and goals
2. Safety and health issues raised by SHE officials and workers
3. Developing and revising safety and health management regulations
4. Safety and health issues related to the introduction of hazardous machinery and other facilities
5. Safety and health training for workers
6. Conducting inspections and improving the working environment, including measuring the working conditions
7. Health management of workers, including health check-ups
8. Investigating the causes of serious accidents and establishing measures to prevent recurrence
9. Recording and maintaining statistics on industrial accidents
10. Implementing and promoting the safety and health management system
11. Other important matters related to SHE

Safety & Health Risk Assessment Process

SK bioscience specifies the removal of SHE risk factors in a significant process of implementing the management system and conducts risk assessments for all operations to proactively identify and prevent accidents. We hereby discover all potential risks that can arise from operations, and secure safety and health measures, so that workers can work in a safe environment.

The risk assessment begins with a preliminary step to clearly identify the objectives and scope of the assessment, followed by the identification of hazardous risk factors and a task-specific assessment to isolate high-risk tasks. For each risk factor, the risk level is then evaluated by considering the likelihood and severity of injury or illness and determining whether it is acceptable. For unacceptable risks, we establish and implement measures to reduce them, and manage safety and health risks through continuous monitoring and improvement activities.

In 2024, based on the results of the risk assessment, we continued to identify and improve various risk factors that may occur during work. Particularly, we actively promoted the improvement of safety facilities to eliminate harmful factors, and made efforts to create a healthier work environment, such as manufacturing and supplying customized insoles to reduce workers' fatigue caused by standing for long periods of time.



On-site Work Hazard Management

To protect the health of our employees, SK bioscience regularly undertakes hygiene and work risk assessment in the workplaces, and conducts proactive health management to prevent occupational diseases. Through this, we identify health risk factors such as hazardous chemicals at an early stage and minimize risks exposure through systematic measures. Especially we have developed a chemical management system (CMS) that can monitor the entire process of chemicals from warehousing to disposal in real time to reduce potential risks from chemical exposure through proactive risk assessment and usage management.

We also conduct preventive management for musculoskeletal disorders through risk assessment. Regular medical examinations are conducted to monitor workers for any health abnormalities. Additionally, for employees who handle or are exposed to specific hazardous factors, we conduct specialized medical examinations targeting those specific hazards. As a result of this integrated health management system, there were no major health incidents including fatal injuries or occupational diseases in 2024.

On-site Hazardous Chemical Risk Assessment

Categorization of On-site Hazardous Factors	Implementation of Risk Assessment	Major Improvement Activities
Hazardous risk factors causing serious injuries[1)]	• Conducting risk assessments using the Job Safety Analysis (JSA) technique at least once a year to identify risk factors and develop • Conducting routine tour inspections to identify workplace risk factors and making efforts to improve unsafe conditions and behavioral factors	- Conducted a Chemical Hazard Risk Assessment (CHARM) in whole process - Introduced remote monitoring gas detectors - Introduced Container & Spill Kit for chemical bottles - Established a checklist for essential protective equipment for each process
Hazardous risk factors causing serious diseases[2)]	• Conducting work environment assessment at least semi-annually to evaluate the level of exposure to hazardous factors present in the work environment & Developing improvement plans in case hazardous factors exceed 50% of legal limits • Analyzing hazardous factors for tasks that require musculoskeletal strength at least once every three years and establishing improvement plans for tasks that put a strain on muscles and bones • Conducting regular medical examinations at least once a year, as well as special medical examinations for employees who handle and are exposed to specific hazardous factors	- Added arm hoods to labs - Improved office lighting - Introduced a pre-work stretching program - Established Cerebrovascular Disease Prevention & Management Guidelines - Implemented an employee health promotion program - Introduced of indoor air quality monitoring devices - Installed additional automated external defibrillators (AEDs) - Fostered in-house first responders

1) Injuries resulting from contact with chemicals between tasks and fire caused by using hazardous materials, etc.
2) Diseases resulting from exposure to hazardous chemicals between tasks, musculoskeletal strains caused by handling heavy materials, etc.

Establishment of Safety Culture

Establishment of a Safe Work Environment

SK bioscience conducts SHE joint inspections every month with the participation of each team leader to enhance management's engagement in SHE activities. In addition, we closely monitor direct and visible accidents, as well as risk factors including near misses, in the workplace to ensure that no small risk factors go unnoticed.

In the event of accidents, we have an accident investigation process in place to ensure immediate reporting of workplace-related incidents. Moreover, we actively work towards establishing a safe working environment by forming accident investigation committees that vary in accordance with the severity of the accidents. These committees identify the root causes of the accidents and establish measures to prevent their recurrence.

Employee's Right to Suspend Work

SK bioscience protects the right of workers to suspend work in accordance with the Safety and Health Management Regulation. The Regulation states that workers can stop work and evacuate if they identify a potential risk of industrial accidents, and will not face any penalties for doing so.

1. Where imminent danger of an industrial accident exists, or a serious accident has occurred, the Company shall take necessary measures for health and safety, such as the immediate suspension of operations and evacuation of employees from the place of business, after which work may resume.
2. Where any employee suspends work and evacuates due to any urgent risk of an industrial accident, he/she shall promptly report it immediately to the superior officer, who shall take appropriate measures to address the situation.
3. Where reasonable grounds exist to believe that any imminent danger of an industrial accident exists, a business owner shall not dismiss or give other disadvantages to employees by reason of their suspending work and evacuating pursuant to paragraph (2).

Safety Culture Assessment

SK bioscience improves the SHE system at worksites through objective evaluations by inspecting SHE activities with the affiliated companies. Starting from 2022, we have implemented SHE activities evaluations using a checklist. Also, we evaluate the level of our safety culture and address any shortcomings by actively engaging with other business sites of affiliated companies and benchmarking them.

We also measure and verify the effectiveness of our worksites' safety and health management system through annual assessments of the system and semi-annually assessments of legal compliance. In addition, once a year, we verify the effectiveness of the system through ISO 45001 post/renewal audits, an international standard certification.

Safety Culture Training

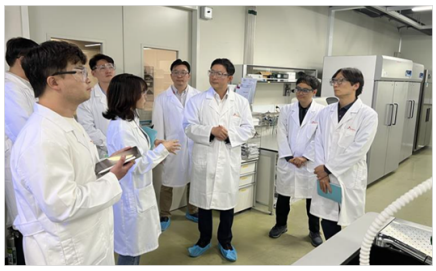
SK bioscience conducts regular SHE trainings for all employees. Trainings were provided on risk assessment based on hazard characteristics, advanced safety case studies, and Lock Out Tag Out (LOTO) procedures. Furthermore, various other training sessions, including those for partner companies, were conducted to enhance safety awareness. We are committed to promoting a safety culture by offering various training programs to all employees and suppliers, raising awareness about the significance of occupational safety and health management.

Category	Content
Regular SHE Training	• Conducting regular training for all employees (Initial training once for new employees, Quarterly for all employees)
Additional Training	• Conducting emergency first aid (CPR) training for emergency response • Providing special safety and health training for researchers handling chemicals in the laboratory • Conducting regular safety training, risk assessment, and external SHE training for supervisors
Visitor/Partner Training	• Creating and providing SHE training videos for visitors to ensure all visitors are aware of the regulations in advance • Conducting pre-safety training and distributing completion certificates to all partner employees to enhance the safety management awareness of partner companies

Enhancing Executive SHE Engagement

SK bioscience has been operating the 'Executive SHE See & Do' program since March 2024 to strengthen safety, health, and environment (SHE) leadership. As a part of the program, the CEO personally visits major worksites such as Pangyo HQ and R&D Center, Andong L HOUSE, and Songdo Global R&D Center to inspect sites with site managers and host safety talks with employees to share SHE issues and seek ways to improve them.

The program drives continuous improvement activities and embeds safety culture in the SHE environment and this is a key leadership activity for creating a safe and healthy work environment.



Pangyo R&D Center



Andong L HOUSE



Songdo Global R&PD Center construction site

Communication Channels for Safety

SK bioscience is creating a culture of communication for safety by opening channels for employees to freely express their opinions on hazardous factors and environmental risks that may arise in the workplace. In May 2023, SK bioscience launched the 'SHE! Say!' program, empowering employees to proactively identify and mitigate SHE-related risks.

Additionally, we executed Set-play[1)] activities to minimize risks by detecting blind spot hazards and training employees on their specific roles in emergency situations.

1) Activities that identify the risks of a task in advance and then train each person on their role in the event of an emergency

'SHE Say' Reports and Improvements



Employee Health Management Programs

SK bioscience supports various programs aimed at improving the health of employees. Its 'Mind-Body Control Training' is a corporate culture program that promotes healthy bodies and ambition, which is one of the core values of the SK Group. It offers employees various health management methods such as Miracle Morning, yoga and meditation. We also provide regular health check-ups for employees. Our health administration office is staffed by in-house nurses who conduct health assessments to identify any abnormalities, and we provide separate management for employees with medical conditions. The in-house health management office includes a health consultation room, a pharmacy that provides over-the-counter medications, a treatment room for minor injuries, and a recovery room, offering both health consultations and treatment convenience for employees.

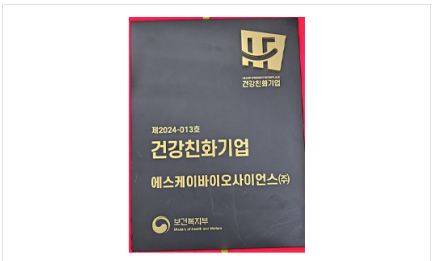
We maintain a list of nearby emergency hospitals for immediate medical treatment in the event of work-related accidents. Additionally, we collaborate with specialized examination center hospitals to conduct general and specialized medical examinations at least once a year. Furthermore, we offer comprehensive health check-up services for employees and their family members (spouses). In addition, programs to support smoking cessation and weight control, aiming to help our employees protect themselves from health hazards are provided. We also provide annual flu and zoster vaccination to prevent infectious diseases among employees and their families.

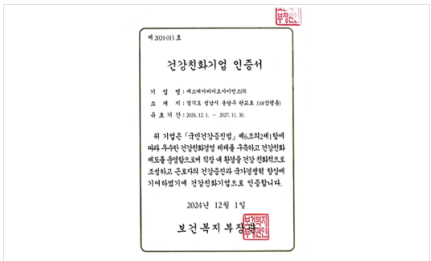


Mind-Body Control Training Program Poster and Timetable

Health Friendly Corporate Certificate

As a healthcare company, SK bioscience creates a health-friendly culture and environment to promote the health of employees and provides various supports for employees to manage their own health. As a result of these efforts, we were certified as a health-friendly company in 2024, and also received an award from the Ministry of Health and Welfare as an outstanding company.







Supplier Safety & Health Management

Safety & Health Cooperation Programs

SK bioscience extends safety and health management activities to business partners, serving as a reliable supporter for their safety and health management. We conduct safety and health trainings for all workers at our worksites, including workers from resident contractors, to communicate SHE compliance at work.

Examination of SHE Qualification

SK bioscience conducts SHE qualification examinations to strengthen the level of safety and health of suppliers within workplace and restricts the work of suppliers that are deemed unqualified as a result of the examination to encourage voluntary investment and improvement in safety and health.

From 2023, we have mandated the supplier qualification examinations, quarterly checking the safety and health levels of our suppliers and reflecting the results when contemplating additional contracts. We conduct a quantitative assessment based on the possession of systems for each of the seven items required by the assessment. In addition, we are establishing a plan to identify and manage potential risks that may occur during work by requiring suppliers to submit safety management plans in advance, including pre-work risk assessments and safety management plans.

Evaluation Criteria for Supplier SHE Qualification

- Safety & Health Management Policy
- Safety & Health Regulation and Procedure
- Presence of Safety & Health Management Team/Personnel
- Establishment & Implementation of Safety & Health Training Plans
- Development of Detailed Plans for On-site Safety & Health Management
- Hazardous and Risky Machines/Equipment Usage & Inspection Plan
- Occurrences of Accidents in the Past Three Years

Communication with Suppliers regarding Safety & Health

SK bioscience maintains ongoing communication with stakeholders, including suppliers, regarding all safety and health-related matters that arise in the workplace. The Resident Business Partner Committee listens to the grievances of workers from suppliers regarding safety and health, and takes measures to resolve them through discussions on emergency response procedures, accident reporting systems, and safety and health practices during work.



Human Rights Management Framework

Human Rights Management Policy

In 2022, SK bioscience revised its Human Rights Management Declaration to comply with and reflect the Universal Declaration of Human Rights and UN Guiding Principles on Business and Human Rights suggesting human rights protection, labor standards, and international principles. We have established a Human Rights Management Statement as a company policy which is integrated with the existing Human Rights Management Practice Guidelines, and the Statement is available on our ESG website. The Statement applies to various stakeholders, including employees, members of domestic and overseas affiliated companies, customers, shareholders/investors, suppliers, and local communities/environment.

Human Rights Implementation System

SK bioscience has declared its commitment to human rights management to ensure the dignity and value of all individuals in all business activities. Our employees also adhere to the Declaration of Human Rights as a standard for their behavior and decision-making. The ESG Committee under the Board of Directors is responsible for managing and overseeing the progress of human rights management and deliberates on matters related to the protection and promotion of human rights of our stakeholders, including our employees.

In addition, we operate a Working Council and a Team in charge of human rights management to promote effective human rights management. The Division in charge of human rights management conducts an annual human rights impact assessment to evaluate and improve the level of our human rights management. The Human Rights Management Working Council implements and reviews action items identified through human rights impact assessments and continuously identifies, assesses, and responds to human rights risks.

Human Rights Risk Management

Overview of Human Rights Risk Management

SK bioscience has established a human rights risk management process to prevent negative human rights impacts that may arise from the Company's management or business activities and ultimately contribute to the realization of human rights. In accordance with international human rights norms (the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, etc.) and the EU standards for Human Rights Due Diligence, we conduct a human rights impact assessment to identify human rights related risks and impact.

Human Rights Impact Assessment

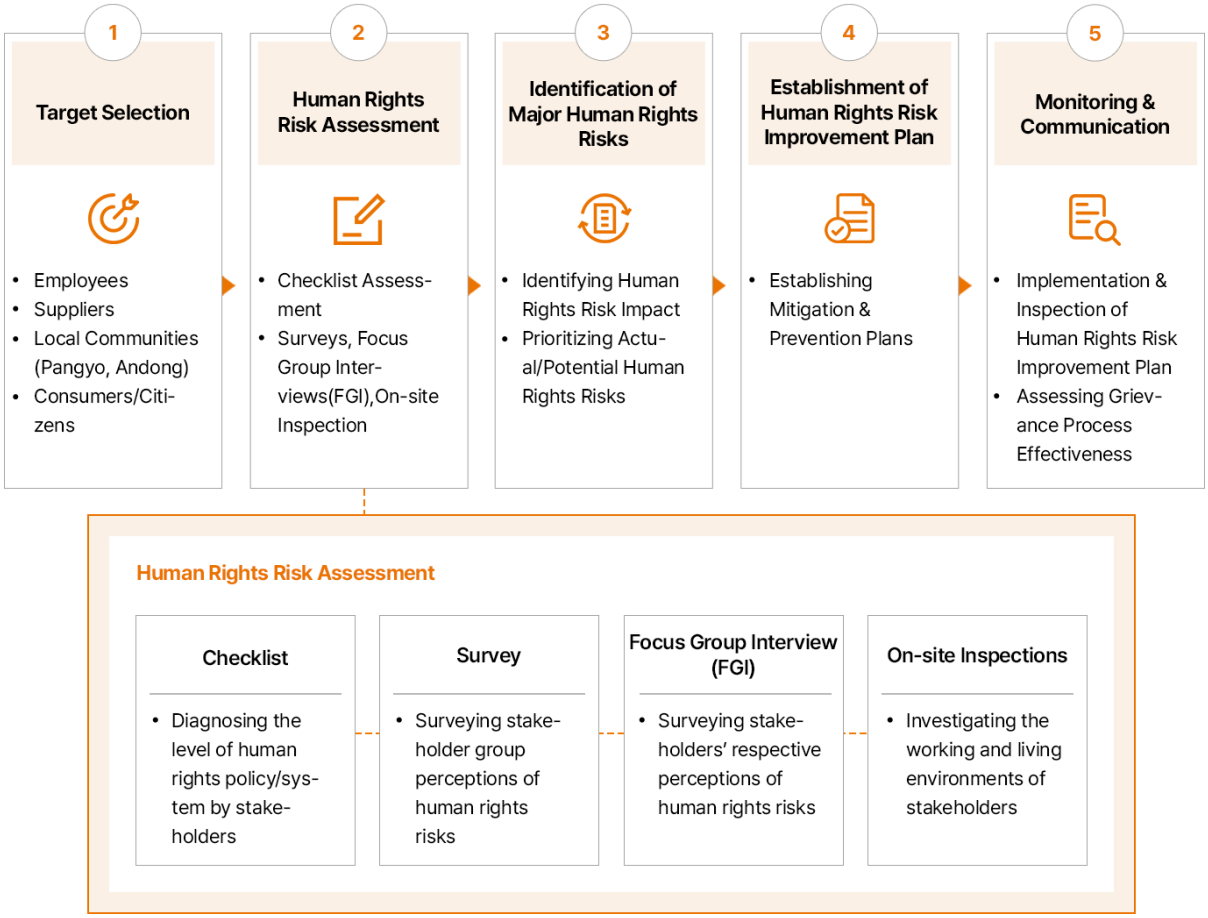
Implementation of Human Rights Impact Assessment

In order to systematically review the impact of business activities on human rights and effectively manage risks, SK bioscience conducted a human rights impact assessment in 2023 for employees, and in 2024 for on-site suppliers and local community (Andong).

Collaborating with a third-party organization, we ensured objectivity in risk determination and identified actual and potential human rights risks through the human rights impact assessment process. We measured the extent of risk to vulnerable groups and evaluated their priority.

Following this, we identified major human rights risks that could impact employees, suppliers, and local communities categorized them by topics, and systematically defined and prioritized each risk. Based on this, we establish a mid- to long-term roadmap, execute, and monitor improvements.

Human Rights Impact Assessment Process



Result of Human Rights Assessment

SK bioscience includes various stakeholders who are vulnerable to human rights risks, including our own employees as well as our partners and local communities, and within each stakeholder, we assess risks by categorizing detailed vulnerable groups that can be directly or indirectly affected by major human rights risks. We derive improvement tasks based on the results of our annual human rights risk assessment and monitor the implementation status periodically.

Stakeholders (Vulnerable Groups)	Human Rights Areas	Risks Definition	Key Improvement Tasks
Employee	Labor Conditions	Improving the working environment for vulnerable groups to foster a corporate culture based on diversity, equity, and inclusion (DE&I)	• Reviewing & improving perks and benefits by job function • Creating accessible job descriptions and assessment aids for people with disabilities
		Enhancing internal systems to proactively ensure workers' freedom of association and rights, actively listening to and communicating with employees	• Setting up a labor-management council at HQ • Improving the process for electing members of Labor-Management Council
		Identifying, eliminating, and managing hazardous risks in the workplace to ensure employee safety and health	• Enhancing health and safety measures for high-risk workers
		Improving working environment efficiency by supplementing the working hours management system and policies	• Improving working hours management system and policy
	Equal Treatment & Opportunities	Creating a corporate culture & establishing effective response procedures to prevent workplace deterioration due to increased diversity of employees and changes in socio-cultural values	• Adopting a zero-tolerance policy for workplace bullying and sexual harassment • Implementing activities to foster a culture of mutual respect
	Remedy & Grievance Handling	Improving the accessibility, anonymity, and transparency of internal grievance channels to alleviate usage inconvenience & fostering a healthy organizational culture	• Outsourcing human rights violation grievance & making investigation mandatory • Improving a grievance handling procedure
Supplier[1)]	Human Rights Policy & Risk Management	Strengthening human rights risk management in the supply chain	• Distributing educational materials & training for suppliers • Guiding a Grievance Procedure
	Labor Condition	Operating a management system to proactively ensure the three labor rights (right to organize, right to collective bargaining, and right to collective action) & health and safety	• Regularly monitoring & taking necessary action • Distributing educational materials & training for suppliers
	Equal Treatment & Opportunities	Fostering a culture of diversity, equity, and respect within our partner workforce	

Stakeholders (Vulnerable Groups)	Human Rights Areas	Risks Definition	Key Improvement Tasks
Local Community (Andong)	Economic · Social · Cultural Rights	Establishing a process for communicating with local community about the results of regular inspections of environmental impacts caused by business activities	• Regular monitoring & conducting preventative measures • Providing local community communication & guiding a grievance channel
		Establishing procedures and precautions to ensure community's health and safety	

1) In-house Suppliers (Songdo R&PD Center, Andong L HOUSE)

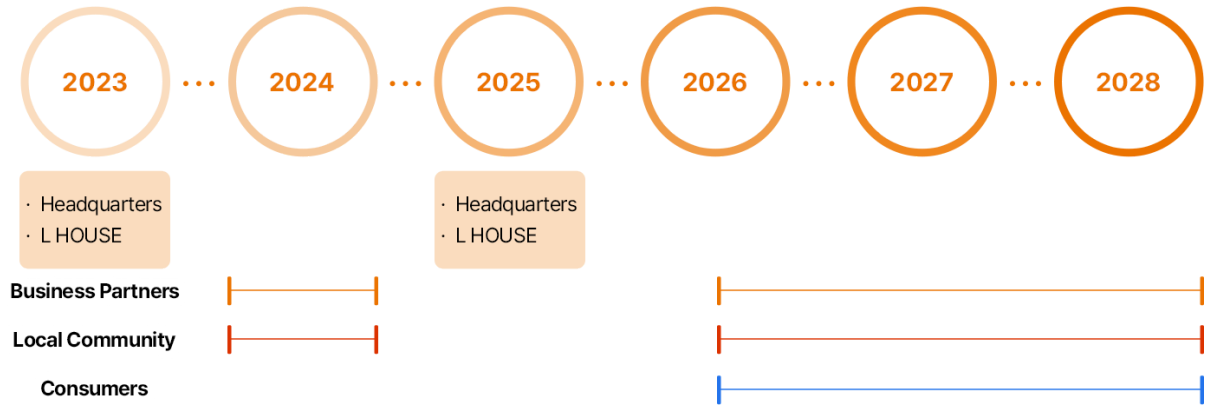
Effectiveness Evaluation after Implementation of Improvement Tasks

SK bioscience has been categorizing and implementing the mid- to long-term improvement tasks derived from the human rights impact assessment since 2023, and regularly monitors the implementation status. In addition, we evaluate the effectiveness of each task based on the monitoring results, and the results of the effectiveness evaluation of key improvement tasks out of a total of 49 improvement tasks derived in 2023 are as follows. Additionally, we report the implementation status of human rights risks improvement tasks to the ESG Committee and the management every year.

Target	Time Horizon	Human Rights Areas	Key Improvement Tasks	Implementation Rate	Effectiveness Evaluation Results
Employee	Short-term	Labor Conditions	Determining the way to elect members of Labor-Management Council and tenure	98%	Council members are selected by members vote and tenure is 2 years
			Establishing various labor-management channels		Labor-management council launched in May 2022, and diverse channels (HR talk talk, Town Hall meetings, etc.) are operating
			Establishing the Grievance Committee rules for female participation		Designated female members and operated the Committee by worksites (Pangyo/Andong)
	Mid-term		Ensuring annual leave coverage & a plan for after-the-fact compensation	92%	The annual leave is based on self-approval system, and those unused annual leaves are paid out in the next year
		Remedy & Grievance Handling	Requiring confidentiality agreements for those involved in workplace bullying and sexual harassment		Signed and managed confidentiality agreements from those relevant members
	Long-term	Labor Conditions	Considering establishment of a children daycare center when relocating to Songdo	57%	A preferred bidder for daycare contractor selected and follow-ups are underway
		Equal Treatment & Opportunities	Musculoskeletal hazards survey for drug substance production workers		A task force has been formed to review and is on track to complete in 2026

Mid- to Long-term Goals

In 2025, we plan to conduct a human rights impact assessment for our employees. In 2026 and beyond, we plan to gradually expand the scope of the Human Rights Impact Assessment to include key suppliers, local community (Songdo), and consumers, and by 2028 we plan to include key stakeholders and vulnerable groups in our value chain.



Human Rights Training

To promote a culture of respect for human rights, SK bioscience conducts regular sexual harassment prevention training and disability awareness training on our learning platform, mySUNI, every year. These training programs, which have been conducted over the past three years, aim to enhance the human rights sensitivity of our employees and raise their awareness of the importance of respecting human rights. In 2024, 100% of our employees completed both the sexual harassment prevention training and disability awareness training.

Human Rights Grievance Handling

SK bioscience operates reporting channels to identify and resolve human rights violations occurring both inside and outside the Company. The online reporting channel categorizes issues such as verbal abuse, physical violence, sexual harassment, exclusion from work, and personal errands among employees under "lack of respect for employee dignity" and treats them as violations of ethical norms. Moreover, guidelines for addressing workplace bullying and sexual harassment are available on our company website, and we have established a grievance process to protect victims.

The results of the annual investigation are reported to the Board of Directors. The insights derived from these issues are then incorporated into internal regulations or guidelines and shared with employees through the Ethical Management Practice Letter to raise awareness and vigilance. Also we diligently track the number and causes of grievance reports and make efforts to resolve them, as well as protect the identity of the informant to ensure they do not face any disadvantages for reporting.

Grievance Handling Process (In-house)

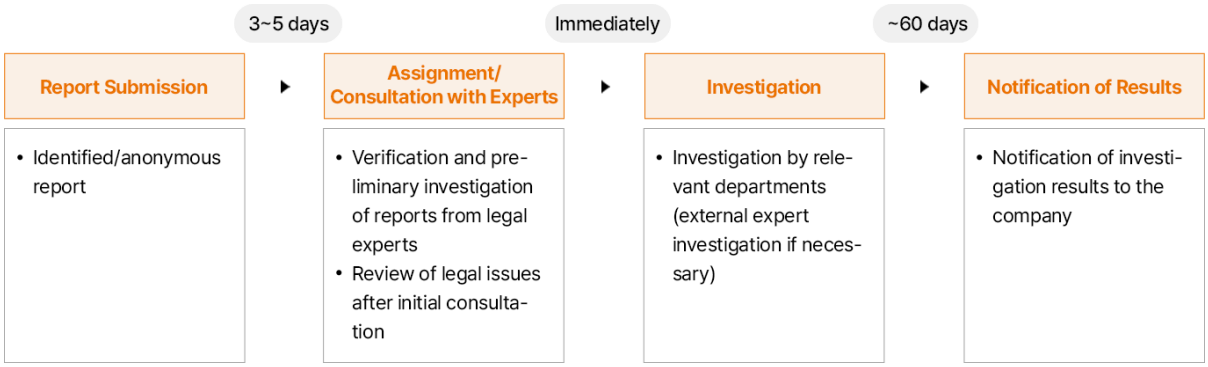


Human Rights Violation Report Channel

Website	https://ethics.sk.co.kr
E-mail	skbioscience.ethics@sk.com
Telephone	02-2008-2338

In early 2024, SK bioscience established an external human rights grievance handling channel, allowing employees to report workplace bullying and sexual harassment issues to external experts. This initiative aims to enhance the anonymity, accessibility, and independence of the grievance handling system for employees and to actively practice human rights management.

Grievance Handling Process (External)



Procedures for Addressing Workplace Bullying and Sexual Harassment

Since the establishment of procedures for addressing workplace bullying and sexual harassment in 2022, SK bioscience has actively maintained and refined these protocols to foster a positive working environment. Upon the occurrence of workplace bullying, we implement procedures grounded in the principles of 'Empathy,' 'Confidentiality and Non-Retaliation,' 'Fair and Swift Care,' and 'Recovery and Recurrence Prevention.' Furthermore, in 2023, we enforced a zero-tolerance policy, treating workplace bullying and sexual harassment as severe violations of human rights, leading to stringent disciplinary actions against offenders. This policy rigorously safeguards the human rights of our employees.



Sustainable Supply Chain

Supply Chain Management System

SK bioscience shares ESG management values with business partners to build a sustainable and systematic supply chain in line with regulation changes at home and abroad, and builds strategic partnerships to strengthen competitiveness together.

Based on our supply chain ESG policy, we have developed various programs to promote mutual growth and enhance the capabilities of our business partners. We manage ESG risks across the entire value chain by diagnosing and supporting the implementation of improvements.

Sustainable Supply Chain Management Framework

Shared Growth	Enhancement of Supply Chain Capabilities	Enhancement of Supply Chain ESG Practices
• Activities for shared growth & win-win cooperation • Adherence to Fair Trade Law	• Supply Chain Quality/Safety & Health management • Support for supply chain training	• ESG Management assessment/improvement • Reflection of evaluation results in the purchase process

Supply Chain Scope & Classification

As the Company that researches, develops, and produces biomedicine such as vaccines, SK bioscience has established strict standards to evaluate and register suppliers.

Main Suppliers	Companies with high strategic significance based on annual ordering costs or the nature of partnership in case of the key component suppliers, irreplaceable companies, and strategic procurement outsourcing suppliers
Other Suppliers	Companies that require a systematic management approach due to a significant business relationship with us

Supply Chain ESG Policy

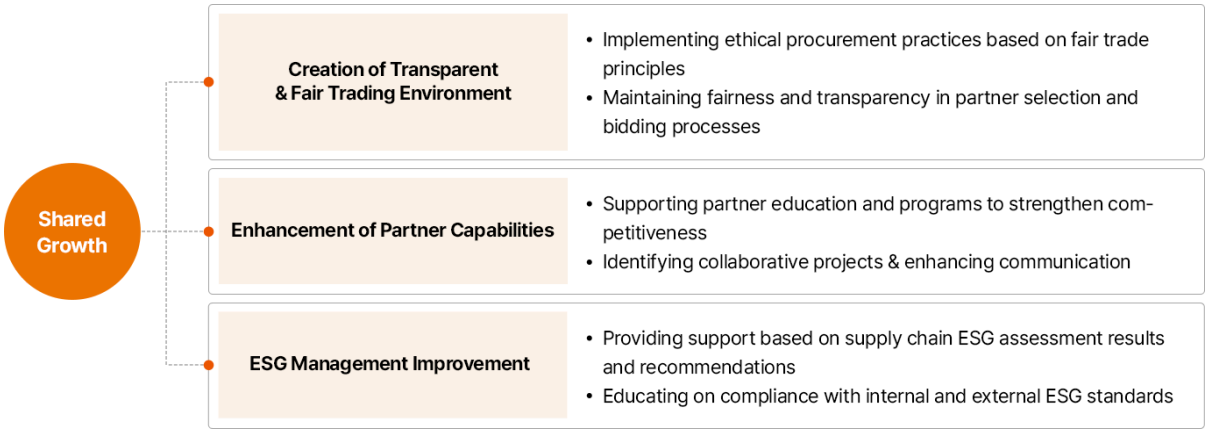
SK bioscience requires all business partners to sign the 'BP (Business Partners) Ethical Practice Pledge' prior to contract finalization to ensure the establishment of ethical and transparent business relationships.

Additionally, SK bioscience implemented a supply chain ESG policy in 2022. The Company has also established a 'Code of Conduct for Partners,' providing guidelines to partners for ESG management practices and encouraging compliance through a commitment pledge.

Supplier Code of Conduct	• Adoption of supplier code of conduct which is comprised of five sections (Human Rights and Labor, Safety & Health, Eco-friendliness, Business Ethics, Management System)
ESG Self-checklist	• Self-inspection of check-list items such as fair trade/anti-corruption, safety issues, and partner transaction status for all purchase contracts
Compliance (CP) Agreement	• Ensuring transparency in transactions and the practice of business ethics concerning business partners through - Inclusion of the 'BP ethical practice pledge' in the initial contract - Business legitimacy and contract status checks before and after the agreement
Code of Ethics for Purchasing	• Basic principles of fair and transparent transactions • Compliance with laws and international conventions (The Universal Declaration of Human Rights, UN Global Compact, etc.) • Reporting of violations and protection of the informant
Bid Evaluation Guide	• Partner selection principles, bidding process, detailed guidelines containing ESG elements
Social-responsibility-based Purchasing Principles	• Fulfillment of corporate social responsibility by pursuing shared growth in selecting trading partners and reviewing/supporting business partners' non-financial status

Shared Growth with Business Partners

SK bioscience forges collaborative relationships with partners based on transparency and fairness, driving co-growth through various policies and support programs. To this end, the Company enforces strict adherence to legal regulations and guidelines that safeguard partner rights from the procurement bidding stage to contract finalization. SK bioscience complies diligently with all relevant laws, including the Monopoly Regulation and Fair Trade Act, the Act on Fair Transactions in Subcontracting, and other pertinent regulations. The Company also implements fair and transparent contract guidelines to advance co-growth within the biochemical industry.



Enhancement of Business Partner Capability

SK bioscience bolsters business partners' competitiveness through the SK Shared Growth Academy by offering education and training programs. In the future, we will operate an Open-Lab at our Songdo Global R&PD Center to strengthen our support system for supplier growth.

Additionally, SK bioscience extends its quality management and occupational health and safety management activities across the supply chain to strengthen partners' quality and safety competencies. Regular audits and evaluations are conducted to improve quality systems for primary, secondary, and tertiary partners. The Company also provides safety and health training for on-site partner employees to enhance safety capabilities.

To further strengthen partners' ESG management capabilities, SK bioscience began conducting supply chain ESG assessments in 2023. Based on the assessment results, improvement plans are developed and implementation support is provided for each partner. The Company plans to expand educational programs for partners to elevate ESG management and keep information updated.

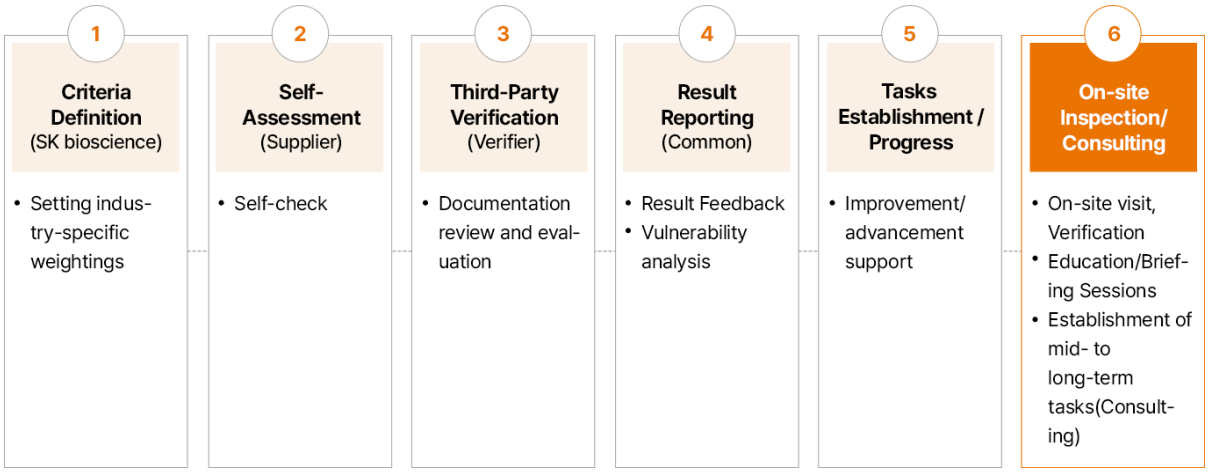
Enhancement of Communication Channels

To listen to and actively communicate with suppliers' grievances, SK bioscience operates a grievance channel in the procurement portal, along with various communication channels such as mail, phone, and video conferencing. We also resolve disputes related to the Code of Ethics through the SK Group Ethical Management Reporting Channel and strictly guarantee the confidentiality of the content of the report and the identity of the informant. In addition, we plan to establish fair trade practices and enhance transparency throughout the supply chain by operating the Voice of Suppliers for secondary and tertiary suppliers.

Supply Chain ESG Risk Management

Supply Chain ESG Risk Assessment Process

SK bioscience has established an online inspection system to identify and improve potential ESG risks within the supply chain based on Supplier Code of Conduct and global guidelines. In 2024, the Company selected assessment targets by comprehensively considering transaction amounts and frequencies over the past three years, the result of 2023 supply chain ESG risk assessment, and criticality of ESG in business. The entire process included self-assessment, third-party verification, on-site inspections, and consulting to develop improvement tasks.



In 2024, SK bioscience completed supply chain ESG risk self-assessments and third-party verifications for 44 partners. The assessment results did not identify any legal violations in major items; however, approximately 68% of participating companies were identified as high-risk, thus conducted a comprehensive improvement consulting to establish focused improvement tasks for early resolution of ESG risks and prioritize those tasks for each business partner.

In 2025, we plan to extend the supply chain ESG risk assessment process to advance our partners' risks management capabilities and build a solid sustainable supply chain system.

Assessment Indicators & Risk Evaluation Measures

The supply chain ESG management assessment indicators consist of 60 indicators on policies, practices, and performances in respective ESG areas and 6 indicators of legal violations by integrating domestic and international disclosure and assessment indicators. Given the impacts and ramifications of ESG issues varying by industries, the assessment weightings for respective ESG areas are applied differently.

E	Environmental Management	Eco-friendly Products	GHG Emissions	Energy Consumption	Waste Management
	Raw-materials	Hazardous Chemicals	Air Pollutant	Natural Capital	Water Resource Management
S	Information Protection	Human Rights	Health & Safety	Employment	
	Conflict Minerals	Labor Condition	Fair Trade	Social Philanthropy	
G	Information Disclosure	Management System	Audit	Ethical Management	

Risk Assessment

Scale	0		3			7	10
Risk Level	High		Medium			Low	
ESG Grade	RM-7 (Serious)	RM-6 (Weak)	RM-5 (Average)	RM-4 (Good)	RM-3 (Excellent)	RM-2 (Superior)	RM-1 (Top-notch)

Support for Improving Supply Chain ESG Risk Management

In 2024, SK bioscience disseminated the results of its supply chain ESG risk assessment to participating entities and provided comprehensive improvement consulting for high-risk suppliers. The Company pinpointed key management targets and indicators, devised a risk mitigation plan to elevate all targeted suppliers out of the high-risk category, and systematically monitored the progress of these implementations.

Additionally, SK bioscience executes annual ESG management training for participating suppliers before conducting the supply chain ESG risk assessment. In 2024, the training encompassed general ESG management principles, the necessity of environmental management, disclosure practices, case studies, policies from other entities, and diagnostic guidelines to amplify the efficacy of supply chain ESG risk mitigation. The Company also assisted the consulting partners in setting environmental management objectives and tracking their performance since 2023. These improvement efforts resulted in 50% of high-risk partners engaged in consulting in 2023 improved their risk diagnosis to medium risk in the 2024 diagnosis.

In 2025, SK bioscience intends to enhance the current consulting and educational programs, focusing on diversifying and optimizing risk mitigation strategies. This includes systematically monitoring the implementation of improvement plans for key management suppliers, and broadening educational support. Especially, the Company will meticulously evaluate the ESG management training requirements of suppliers involved in the supply chain ESG risk assessment, continuing to offer proactive support through information dissemination, linking to external educational resources, and providing other essential assistance for effective ESG management within the biochemical industry.

IDT ESG Risk Management in the Supply Chain

The supply chain is a key focus for IDT Biologika (hereinafter IDT) for two main reasons: compliance with the German Supply Chain Sustainability Act (hereinafter the Act) and the emphasis on sustainability in its purchasing practices.

IDT considers social, ecological, and environmental factors as critical criteria when choosing suppliers and service providers. Suppliers must prove that they meet relevant standards, such as ISO 14001, ISO 45001, and ISO 50001 certifications. These requirements are outlined in the supplier qualification documents.

IDT conducts risk-based assessments to verify that their standards align with IDT's high expectations. The risk analysis, in accordance with Section 6 of the German Supply Chain Due Diligence Act, involves a comprehensive review of compliance with internationally recognized human rights and environmental standards. As part of the Act requirements, a full risk assessment was conducted in 2024, and this assessment will be repeated annually. The results are submitted to the Federal Office of Economics and Export Control in the form of a report.

To ensure that sustainability principles are deeply integrated into procurement practices, a mandatory annual training course on "Sustainability in Procurement" has been implemented for all procurement employees. This training helps ensure that purchasers are equipped to make responsible decisions and actively contribute to achieving IDT's sustainability goals.

Enhancing Access to Healthcare

Fostering Global Bio Ecosystem

Supporting Shared Growth of the Global Bio Industry

To contribute to global public health, SK bioscience supports the growth of stakeholders in the bio-industry to promote shared growth in each area. We will continue to strive to become a company that generates social value through investments in bio ventures, collaborative research and development to advance bio technologies, nurturing professionals, and supporting global initiatives and local communities.

Supporting the growth of Bio-ventures

SK bioscience has invested in the KRW 150 billion Yuanta K-Bio Vaccine Fund to support the growth of bio ventures in the clinical stage and contribute to a creation of a bio ecosystem. Along with the fund investment, SK bioscience also directly invests in a number of domestic bio ventures to promote mutual growth.

Investment Review Process



Basic Research Support

SK bioscience collaborates closely with the International Vaccine Institute (IVI) in pursuit of our shared objective to promote 'global public health'.

We have pledged to donate KRW 3 billion to IVI for three years from 2022 to support vaccine R&D equipment and research. In this way, we aim to make further advancements to the vaccine R&D ecosystem by supporting organizations involved in all stages of the value chain, from development to distribution of vaccines.

SK bioscience has also established an industry-academia collaboration system for infectious disease response at Korea University Medical Center in 2022. Also we have allocated KRW 5 billion for three years (year 2022 to 2025) to establish an infectious disease surveillance system and conduct joint vaccine research.

Hosting Park Mahn-Hoon Award Ceremony

In honor of the dedication to vaccinee R&D, SK bioscience, together with the International Vaccine Institute, established the Park Mahn-hoon Award. This award aims to recognize individuals and organizations for their outstanding contributions to global health and enhance the global vaccine R&D capabilities. In April 2024, the third Park Mahn-hoon Awards were presented to Professor Jan Holmgren at the University of Gothenburg, Sweden, who have developed the world's first oral cholera vaccine, and Professor Barney Graham at Morehouse School of Medicine, USA, and Professor Jason McLellan at the University of Texas, USA, who have contributed to the rapid development of COVID-19 vaccines and antibody therapies through their research in antigen design, reagent development, vaccine delivery and manufacturing technologies.

RIGHT Fund sponsorship	International Vaccine Institute (IVI) sponsorship	Research support
- Joint investment with five domestic life science companies and the Bill & Melinda Gates Foundation (BMGF) - Funding R&D projects for 10 years since 2018	**Empowerment through the IVI network and expertise** - Sponsorship of International Vaccine Advanced Course - Park Mahn-Hoon Award	**Support for advances in basic research** - Established an industry-academia collaboration system for infectious disease response at Korea University Medical Center - Established an industry-academia collaboration system for infectious disease response at National Academy of Medicine of Korea - Providing research support for vaccine development at Industry Academic Cooperation team of Catholic University of Korea

Fostering Global Bio-talent

Fostering Talent through Scholarship Support

SK bioscience supports research in the healthcare field through collaborations with various global organizations and sponsorship with the goal of 'promoting public health worldwide'. In addition, we foster global bio-talent by providing scholarships and sponsoring educational programs for exceptional individuals in the field of bio/vaccines.

Park Mahn-Hoon Scholarship

- Department of Life Sciences at Seoul National University, Boseong High School
  : Granting about 10 students with KRW 5 million every year

Other Scholarships

- Gyeongkuk National University
  : Granting 8 students with KRW 2 million every year
- Supporting the Department of Vaccine Biotechnology of the Gyeongkuk National University
  : Providing mentoring, education and collaborative projects, field training, curriculum collaboration, and internship experience



Gyeongkuk National University's Industry-Academia Cooperation Ceremony

Global Training Hub for Biomanufacturing (GTH-B)

As a partner organization of the World Health Organization (WHO), SK bioscience is dedicated to nurturing the next generation of bio-talent through supporting educational operation. Since Korea was selected as a WHO's Global Training Hub, we have been participating in regular training courses since 2022 and strengthening a mutual cooperation to train vaccine and bio professionals.

We have also sponsored the International Vaccinology Course (IVC) organized by the International Vaccine Institute (IVI) for the past four years, providing specialized training to 192 global trainees from 35 countries as of 2024. In addition, our members are also trained on-site and actively participate in building a global network of vaccine experts.

Through these activities, SK bioscience strengthens its global network and fulfills its role as a 'global training hub for biomanufacturing', ultimately contributing to sustainable development of vaccine and bio industry.

Market Expansion & Support Strategy

Board/Committee Oversight for Access to Healthcare Issues

SK bioscience regularly reviews and oversees issues related to the access to healthcare at the Board of Directors and ESG Committee level to promote global public health and reduce the imbalance in vaccine supply. In 2024, we discussed in depth the agendas for various projects aimed at creating a global bio ecosystem.

Category	Date	Agenda
ESG Committee	February 6, 2024	Report on operating status of Global Bio Ecosystem
ESG Committee	July 12, 2024	Report on operating status of Global Bio Ecosystem

Enhancing Access to Healthcare through Global Vaccine Supply

SK bioscience is contributing to the improvement of human health by building a value chain that encompasses the entire process from basic research to production, licensing, and commercialization of vaccines. In collaboration with global organizations, we have developed our own vaccine portfolio, SKYVAX, targeting infectious diseases that pose a significant burden on public health, including influenza, shingles, chickenpox, and typhoid.

SKYVAX products are essential vaccines for the prevention of infectious diseases that have a significant impact on public health, including influenza, which affects up to 1 billion people annually; chickenpox, which affects 140 million people; and typhoid, which has an incidence of 11 to 21 million cases. In particular, SKYTyphoid (typhoid vaccine), developed in collaboration with the International Vaccine Institute (IVI) with support from the Gates Foundation, is a prime example of a successful global collaboration that has been commercialized.

Global Expansion with Multilateral Procurement

SK bioscience is participating in international procurement biddings for SKYCellflu (influenza vaccine) and SKYVaricella (chickenpox vaccine), which have received WHO Prequalification (PQ), and continues to expand direct access to low- and middle-income countries (LMICs).

Category	Content
PAHO[1)]	- SKYCellflu available to member states from 2021 and SKYVaricella from 2022 - Active participation in PAHO's multilateral procurement for public health promotion and disease prevention in the Americas (North/Central/South America, and the Caribbean)
UNICEF	- Pursuing global supply through UNICEF tender with SKYTypoid which certified the WHO PQ in 2024
Asia Region	- Continued to expand supply agreements with pharmaceutical companies with qualified supply chains in the region, including Thailand, Malaysia, Nepal, Sri Lanka, etc.

1) PAHO : Pan American Health Organization (the American Regional Office (AMRO) of WHO)

Plan for Vaccine Supply Expansion

SK bioscience will contribute to improving human health by expanding global vaccine access and continuing international cooperation to prevent infectious diseases.

Year	Countries (No.)	
	SKYCellflu	SKYZoster & SKYVaricella
2024	9	16
2025	17	19
2026	28	24
2027	32	31

Global partnership collaboration

SK bioscience collaborates with global health partners such as the Gates Foundation, the International Vaccine Institute (IVI), GAVI[4], CEPI[5], and others to promote public health and improve access to health. These partnerships are focused on expanding vaccine supply in low-income countries and health-fragile regions and strengthening the global vaccine supply system.

In collaboration with the Gates Foundation, we are creating an innovative vaccine development and supply strategy that enables more effective and rapid production by sharing resources and technologies during the research and development of vaccines. This contributes to expanding vaccine supply to low-income countries and strengthen health systems.

Our collaborative research projects with the International Vaccine Institute (IVI) are playing a critical role in improving the effectiveness of vaccines and developing new vaccine candidates.

Our partnership with GAVI is focused on expanding the access to vaccines in low-income countries and driving efficiencies within the global supply chain, while our work with CEPI is focused on building a platform for rapid response in the event of an epidemic and improving access to healthcare.

Those global partnerships are a key foundation for SK bioscience's contribution to building a sustainable public health environment, and we will continue to work with various stakeholders to ensure that the world's population has access to safe and effective vaccines.

4) GAVI : Global Alliance for Vaccines and Immunization
5) CEPI : Coalition for Epidemic Preparedness Innovations

Glocalization Strategy

The global vaccine supply imbalance is a serious problem. To date, approximately 67% of the population in low- and middle-income countries (LMICs) have not received a single dose of COVID-19 vaccine, and according to the WHO's World Vaccine Market Report, the human papillomavirus (HPV) vaccine, a vaccine to prevent cervical cancer, has an uptake rate of 83% in developed countries, compared to less than half in LMICs at 41%.

To address these issues, SK bioscience is developing glocalization projects around the world. Glocalization is an innovative model that goes beyond the concept of establishing local factories to produce products, and promotes self-sufficiency of each country's vaccines to ensure timely supply of the vaccines they need. We are continuing discussions with governments and local companies in various countries, and plan to expand the project gradually.

First, we are promoting the localization of vaccine development and production with the Thai government based on a Public-Private Partnership. We are working closely with the Thai government's state-owned pharmaceutical company and relevant government agencies with the goal of localizing vaccines in Thailand and strengthening health security in the ASEAN region.

Based on this collaboration, we are discussing long-term cooperation utilizing SKYVAX and other vaccine-based technologies. This will enable SK bioscience to secure a stable supply chain in Thailand and the ASEAN region, and contribute to improving vaccine self-sufficiency and pandemic preparedness in the region.

Supporting Capacity-Building in Developing Countries

SK bioscience participates in the Regional Vaccine Manufacturing Collaborative (RVMC) to address global vaccine inequalities and strengthens access to vaccines. The RVMC is a global council launched at the World Economic Forum (WEF) Annual Meeting in May 2022 to address the inequality in vaccine supply between high-income countries and low- and middle-income countries during the COVID-19 pandemic. SK bioscience is working with global public health organizations such as WHO and GAVI to establish regional vaccine hubs and create a data-driven, sustainable global supply chain and collaborative ecosystem. In doing so, we strive to strengthen global partnerships and contribute to improving the global vaccine supply chain.

We also actively supports our partners in developing countries to strengthen their pharmacovigilance (PV) capabilities. Beyond PV audits on our international partners, we also help our partners in low- and middle-income countries (LMICs) understand advanced pharmacovigilance systems, with experts from both our audit and PV teams visiting them to provide practical advices.

In addition, starting in 2024, we are offering PV training for our international partners on our products. The training is more than just information transfer. It is focused on enabling our partners in LMICs to learn advanced PV business systems and know-how and apply them in their works.

Based on our experience and know-how in vaccine R&D and production, SK bioscience is engaged in business discussions with governments and local companies in various countries to provide technologies to other countries with poor vaccine infrastructure and to build local production facilities so that they can develop their own production capabilities. We plan to support our international partners in strengthening their infrastructures and production capabilities, including meeting international drug manufacturing standards, by helping them build production infrastructure, sharing know-how, dispatching our technical personnels for technology transfer, and training local personnels.

Affordability

Increasing Affordability across Markets

SK bioscience supplies its vaccine products, including SKYVAX, to both public and private markets in Korea and abroad. In the public market, we supply vaccines to various countries, including Korea and low- and middle-income countries (LMICs), through participation in the National Immunization Program (NIP) and multilateral procurement projects.

When pricing vaccines, we consider a variety of factors, including market conditions, cost structures, policies and regulations, and the public good nature of vaccines, while ensuring that market-specific price accessibility is fully considered. The key factors to consider are as follows.

- Increasing vaccine access: In LMICs, we're adjusting prices or offering special prices to help more people get vaccinated.
- Partnership & collaboration: We work with international organizations such as GAVI and WHO to increase global vaccine access by aligning vaccine pricing and distribution strategies.

We participate in a variety of multilateral procurement projects to improve access to healthcare in low-income countries, contributing to the local supply of essential medicines at affordable prices. For SKYCellflu and SKYVaricella which we supply through PAHO, we use PAHO's procurement prices, which are updated twice a year and shared with us, as a guide for pricing. Similarly, for SKYTyphoid, which we are preparing to supply through UNICEF, we look at the supplier prices published by UNICEF and set our prices accordingly.

In addition, private markets at home and abroad are setting the lowest public bids for each product and setting the right price, taking into account the needs and specificities of each market and the social value of universal vaccine access.

Corporate Philanthropy

Corporate Philanthropy Strategy & Implementation

SK bioscience is evolving as a sustainable company by contributing to the growth of local communities through ongoing corporate philanthropy activities and enhancing its business environment. We carried out philanthropic activities in three areas: 'promotion of healthier life', 'coexistence with local communities', and 'fostering global bio-talent', under the mission of 'protecting public health through the establishment of a Global Biopharma Ecosystem'.

We operate various programs in collaboration with social enterprises and schools to contribute to the revitalization of a healthy community ecosystem by identifying the needs of the local communities, which are the foundation of our business activities. Additionally, we leverage the unique characteristics of our business to address social issues in the medical and health fields that cannot be solely resolved through vaccines. Furthermore, we aim to fulfill our social responsibility in a broader scope by providing basic medical support to improve the health of children and adolescents not only in Korea but also overseas, and by devising programs to bridge the healthcare access gap for medically vulnerable populations.

Corporate Philanthropy Implementation

Mission

Protecting Public Health through the Establishment of a Global Biopharma Ecosystem

Strategy

Promotion of Healthy Life

Putting efforts to improve public health in areas that vaccines cannot address



Coexistence with the Local Communities

Resolving rural depopulation through cooperation with local communities based on their needs



Fostering Global Bio-talent

Developing global talent to solve vaccine inequality, as well as education support for future social leaders



Key Activities

Promotion of Healthy Life

- Infectious Disease Prevention Campaign
- Blood Donation Campaign

Coexistence with the Local Communities

- Establishment of Jigwanseoga at Andong
- Local Communities Support (Sports Day, Residents' General Meeting, Flood damage recovery support etc.)

Fostering Global Bio-talent

- Park Mahn-Hoon Scholarship
- Scholarship for Gyeongkuk National University's Department of Vaccine Biotechnology

Promotion of Healthy Life

Infectious Disease Prevention Campaign

In 2023, SK bioscience launched an infectious disease prevention campaign, 'Happiness Breakwater', based on the ideas from its members, reflecting the nature of biotech company. 'Happiness Breakwater' consists of two programs, 'Making infectious disease prevention kits' and 'SK School'.

'Making infectious disease prevention kits' is an activity where members make hand sanitizers, hand soaps and mosquito repellents in preparation for the spread of infectious diseases during the summer and deliver them to vulnerable children along with nutritional supplements and masks. In 2023, infectious disease prevention kits were delivered to 300 children in Bundang, and in 2024, the kits were delivered to 150 children in Andong.

'SK School' engages members as one-day teachers to educate elementary school students on the importance of infectious disease prevention and methods to avoid infection. This activity also incorporates board games to enhance learning outcomes. In 2023, the program was first held at elementary schools and community children's centers in Bundang, and then expanded to Andong in 2024. In 2025, the program will be operated for 73 classes in both regions.





Infectious Disease Prevention Education : "SK School"

Supporting Local Communities

Jigwanseoga

'Jigwanseoga' is a book cafe built as part of the humanities promotion program, designed to help local residents take care of their mental health and discover life wisdom through humanistic reflection. SK bioscience has been working on this project in collaboration with Andong City and the Platon Academy since 2022, and it was completed and donated to Andong City in December 2024. Jigwanseoga has become a cultural infrastructure in Andong, contributing to the creation of a humanities ecosystem and improving the mental health of local citizens.





Community Sponsorship

SK bioscience has been actively supporting the growth of Andong City, where Andong L HOUSE is located. In the summer of 2023, SK bioscience provided donations to support recovery efforts for flood damages in areas such as Mungyeong and Yecheon. Additionally, the Company sponsored the Andong Citizen Sports Days and Residents Festivals to promote health and unity among the citizens of Andong.

Eco-friendly Volunteer Activities

SK bioscience aims to be at the forefront of global environmental protection through eco-friendly philanthropic activities. In line with this objective, we are making efforts to internalize eco-friendly management by regularly conducting eco-friendly philanthropic activities with our employees. In 2024, we conducted activities such as making eco-friendly kits and organizing environmental cleanup activities near Andong L HOUSE.

Numbers of Proceedings	Category	Content
5	Making Eco-friendly Kits	Raising employees' awareness of environmental protection with upcycling volunteer programs aimed at recycling materials that would otherwise be discarded
1	Environmental Clean-up Activity	Contributing to biodiversity conservation by engaging in cleanup activities nearby worksites

Hope Maker Program

Hope Maker Program is our representative philanthropic mentoring and sponsorship program for children and adolescents from low-income families. Since 2012, we have been providing financial support to participants in the Hope Maker program, including regular monthly donations, holiday gifts, cold weather gear kits, and high school graduation gifts. Additionally, we offer emotional support through academic guidance and career counseling provided by university student mentors. Each year, we engage in ongoing discussions with local welfare centers to develop programs that address the specific needs of the students.



Family Volunteering : 'Raising awareness of people with disabilities' (First-half)



Family Volunteering : 'Raising awareness of people with disabilities' (Second-half)



Eco-friendly Activity : 'Making Eco-friendly Potholders'

No. of Employees joined Philanthropic Activities
659 Persons

Spent Hours
1581 Hours

Mid- to Long-Term Community Engagement Plan

As an integral member of the community, SK bioscience strives to grow alongside the local areas. Currently, volunteer activities and support efforts are focused on Seongnam and Andong, where the Company's facilities are located. Starting in 2026, after the completion of the Songdo Global R&PD Center, the support region will be expanded to Songdo. Additionally, in 2025, SK bioscience plans to launch a campaign to normalize donations and volunteer activities both inside and outside the Company. By 2026, the goal is to embed social contribution activities into daily routines, enabling employees to actively participate in community service as a regular part of their lives.

Community Engagement Program		Local Community	2024 (Achievements)	2025 (Goals)	2026 (Goals)	2027 (Goals)
Green	Making Eco-friendly KIT	Support vulnerable groups nearby worksites	Employee participation rate: 55%	Design New Biodiversity-related Activities	Operate New Activities	Operate new activities
Health	Making Infectious Diseases Prevention Kits	Support vulnerable groups nearby worksites[1)]	150 individuals supported	300 individuals supported	300 individuals supported	300 individuals supported
	SK School	Elementary schools and Community children's centers nearby worksites	69 classes educated	73 classes educated	80 classes educated	90 classes educated
Vulnerable Groups	Hope Maker	Sponsorship for children and youth from low-income families in local communities	Employee participation rate : 53%	Employee participation rate : 60%	Employee participation rate : 65%	Employee participation rate : 70%

1) Targets/locations nearby Worksites : Seongnam, Andong, Songdo



Responsible Research & Development

Safe Clinical Research

Complying with International Code of Ethics

SK bioscience conducts safe clinical research in accordance with international ethical regulations. We follow the ICH[1] guidelines and KGCP[2] which is domestic guidelines for conducting clinical trials. Other clinical trials are conducted after obtaining approvals from drug regulatory authorities in accordance with the regulations of the country in which they are conducted. We also comply with the principles contained in the Declaration of Helsinki, which are ethical principles for medical research involving human subjects.

1) ICH : International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use
2) KGCP : Korean Good Clinical Practice

Clinical Trial Process



Securing Clinical Trial Safety and Transparency

SK bioscience ensures the safety of clinical trials by strictly complying with the regulations and guidelines of Korea's Ministry of Food and Drug Safety and the respective countries where the trials are conducted. In the preclinical stage, toxicity is tested in advance through animal testing, and the safety of subjects and the efficacy of the vaccine are evaluated at each stage of the clinical trials.

We ensure the transparency of our clinical trials by collecting and submitting all data on clinical trial approvals to the relevant regulatory authorities. Specifically, we prepare reports on serious adverse events that occur during the clinical process and report them to each regulatory authority. In addition, information on all interventional studies conducted by SK bioscience is registered and disclosed on the clinical trial information site operated by the U.S. National Library of Medicine, in accordance with the progress of the clinical trial.

Pursuing Diversity in Clinical Trials

The diversity of participants in clinical trials is an important factor not only for product development and success but also for equity. Recognizing this, SK bioscience conducts global clinical trials in various countries, including Korea, to collect data of participants from different races/ethnicities, ages, genders, and backgrounds. In the case of SKYCovione, one of the vaccine pipelines developed by SK bioscience, we have received the approval based on data from Southeast Asia, Oceania, and Europe, in addition to Korea. Based on the safety data of SKYCovione, our aim is to secure diversity in terms of countries and ages in clinical trials for the next vaccines.

Clinical Trial Participant Safety & Practices

SK bioscience is committed to protecting the safety and rights of all clinical trial participants. Participants are asked to participate through a voluntary consent process after fully understanding the risks and benefits of clinical trials. Moreover, blood specimen collection is conducted with additional consent after providing sufficient information to subjects through a separate human-derived material informed consent form.

We have also established standards and procedures to compensate for damages that may occur during the clinical trial phase and have implemented safeguards for participants through the operation of the DSMB[3]. The DSMB consists of external and independent experts responsible for advising on whether to continue, modify, or terminate the clinical trial. They conduct periodic reviews and evaluations of the trial process, safety data, and, if necessary, critical efficacy endpoints. The Board plays a crucial role in protecting the safety and rights of participants, including the decision to terminate a trial early after assessing the risks and benefits for participants.

In the process of conducting clinical trials, we have taken measures to ensure that participants can progress to the next stage only after completing safety reviews at each trial stage. We also adhere to standards that are stricter than international standards, such as setting the follow-up monitoring period to one year.

3) DSMB : Data Safety Monitoring Boards

Clinical Trial Quality Enhancement

Clinical Audits

SK bioscience conducts clinical audits as a procedure to ensure that clinical trials are conducted in accordance with ethical principles and standards. We conduct clinical audits in accordance with internal regulations such as protocols and SOPs, as well as domestic and international guidelines such as GCP[1)] and the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) guidelines, regulations of the IRB[2)], and the Helsinki Declaration.

The Development QM Team ensures its objectivity and credibility by conducting independent audits. The Development QM Team sets a Quality Management Plan (QMP) and establishes a detailed approach for each clinical audit based on the plan to assess the appropriateness of the study's operations. Under the plan, the Team conducts in-house audits of materials and related documents to review the clinical trial process, safety and validity of data, appropriateness of documentation, and compliance with regulations. Also, the Team conducts on-site audits of clinical trial sites analyzing and reviewing the gathered information and reports the results after the audits. By doing so, we aim to ensure that the principles of protecting the rights and welfare of clinical trial subjects, beneficence, and justice are upheld. Moreover, we hope to improve systems and procedures in the new drug development process, and ultimately advance data quality.

Additionally, SK bioscience actively fulfills its supervisory role as a market authorization holder and clinical trial sponsor by strengthening the qualification evaluation and regular audit procedures for partner companies involved in clinical trials. This ensures the professionalism, reliability, and performance capabilities of these partners, enhancing the overall quality and integrity of the clinical trials conducted.

1) GCP : Good Clinical Practice
2) IRB : Institutional Review Board

Strengthening Clinical Audits Capabilities

The Development QM team which is SK bioscience's clinical audit division is composed of internationally certified auditors and specialized personnels dedicated to the clinical trial quality of global clinical trial. We are strengthening our clinical audit capabilities and the quality of clinical audits by providing key personnel with opportunities to participate in various seminars, conferences, and external trainings both domestically and internationally.

Additionally, SK bioscience aims to ensure its expertise as a global player and ultimately enhance its international competitiveness by continuously increasing the number of certified "Reliability Assurance Professionals".

Improvement of the Clinical Trial Quality Management System



Recently, a risk-based approach has become prevalent in the pharmaceutical and bio-industries. Clinical trial regulations have been strengthened as the risks must be identified, evaluated, and reported during the clinical trial process. As the number of our research projects conducted abroad and business partners at home and abroad grows, so does the importance of clinical trial quality assurance and management.

Accordingly, SK bioscience operates a QMS[3)] including quality control and quality assurance activities for clinical trial data, training to strengthen employee competencies, and SOP management to improve the efficiency and accuracy of clinical trial quality management. SK bioscience digitized the QMS to reduce the time and cost spent and established a foundation to more actively cope with changes in the regulatory environment at home and abroad.

3) QMS : Quality Management System

Quality & Safety Management

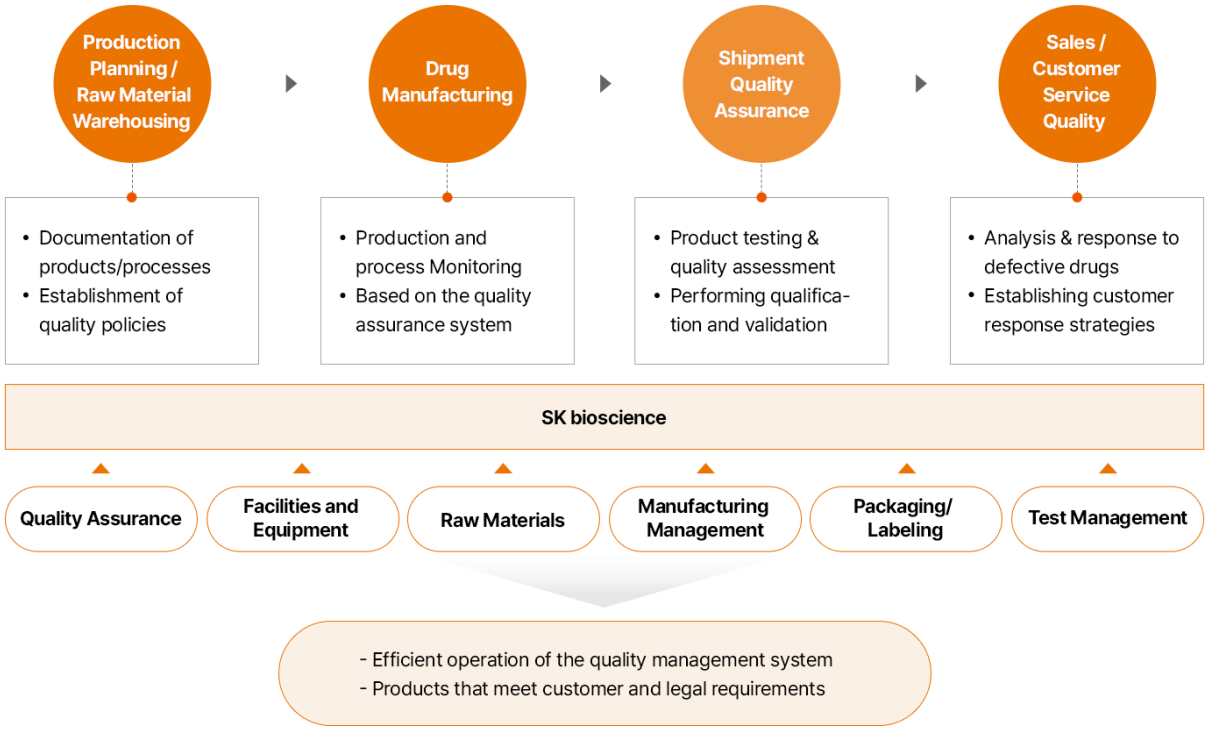
Quality Management System

SK bioscience operates a strict quality management system that covers all stages of the product life cycle, from product development to consumer use. Our quality assurance system is optimized to continuously produce, manage, and sell pharmaceutical products in a GMP[1)] environment. In addition, we manage issues such as deviations and complaints with a system to produce high-quality pharmaceuticals.

We also perform qualification and validation of all facilities and equipment to ensure their performance and functionality. As such, we have established and operated a quality policy to comply with all customer and legal requirements, as well as standards for quality assurance, facilities/equipment, raw materials, manufacturing control, packaging/labeling, and test management. Moreover, we put our efforts for the growth of our employees, and we are constantly striving to establish a quality-first culture.

1) GMP : Good Manufacturing Practice

Quality System



Quality Management Implementation System

SK bioscience has a system in place to ensure the smooth operation of the quality assurance system and GMP. Based on its annual education and factory quality training system, the Quality Assurance (QA) Division supports risk analysis for quality management, performs deviation handling procedures, and operates a preventive action system. It also conducts evaluation and monitoring for installation, calibration, and maintenance of GMP-compliant facilities and equipment. Moreover, it oversees general quality management tasks such as product recall notification/investigation/record storage, supplier audit, and purchase change approval.

The Quality Control (QC) Division examines raw materials, intermediate process samples, and final drug substances used in pharmaceutical manufacturing to check whether the specifications have been met. In this process, physics and chemistry, microbiology, animal testing, and device analysis tests are conducted according to the Standard Operating Procedure (SOP). To this end, it carries out test method validation and management activities to maintain the functions of the QC laboratory, such as device qualification and CSV[2)]. We are committed to continuous improvement of our quality system by monitoring our drug safety evaluation programs and manufacturing support facilities, regularly reporting the results to top management, and receiving feedback from management.

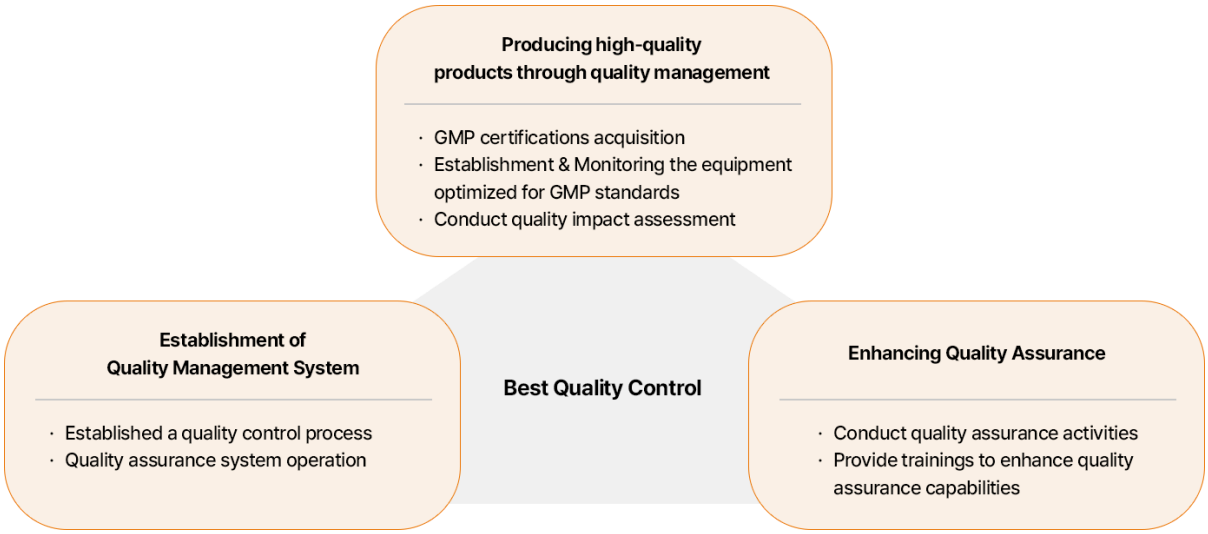
2) CSV : Computer System Validation

SK bioscience Quality Policy

1. The Quality Division and the Production Division must be operated independently.
2. All employees who perform GMP must have appropriate qualifications, improve, and maintain GMP level through training.
3. All important manufacturing processes must be validated, and the quality standards established through validation must be reviewed regularly and kept up to date.
4. All the facilities and systems required for GMP must be equipped.
5. All work during the manufacturing process must be performed according to the approved method. All progress must be recorded and preserved in the manufacturing instructions and records.
6. A recall system must be established and maintained.
7. A complaint handling system must be kept in place, and the cause of complaints that arise should be investigated. Appropriate measures to prevent the recurrence of the same complaints must be taken.

Quality Assurance Enhancement

SK bioscience operates a quality management process that oversees and guarantees the pharmaceutical manufacturing process from raw material intake to final product shipment. By establishing and maintaining a quality management system, the Company ensures that it provides reliable products to customers. SK bioscience complies with the Korean Good Manufacturing Practice (K-GMP) standards across all its production facilities. Additionally, for products approved in international markets, SK bioscience has obtained EU-GMP certification from the European Medicines Agency (EMA), certification from the UK's Medicines and Healthcare products Regulatory Agency (MHRA), and WHO Prequalification (WHO PQ) for its production sites. These certifications ensure that all production facilities meet internationally recognized third-party quality standards.



Quality Assurance Activities

SK bioscience pays special attention to diagnosing and managing product quality risks as we produce vaccine raw materials and finished drugs that are sensitive to temperature and environment. Products are stored and monitored at specified temperatures and environments. Commercialized products undergo annual safety tests to check their quality. Raw materials are also managed under proper storage conditions. In addition, for GMP compliance and process control, critical processes are managed and supervised on-site based on product standards, manufacturing records, and a guidebook. Moreover, QA on the shop floor policy[1)] is implemented to ensure data integrity, and process deviations are handled on-site in real-time.

We continuously manage whether quality issues are improved and whether operations are in line with global GMP standards by conducting a quality impact assessment of products in the first half of each year. A validated eQMS is applied to the quality assurance system, allowing for comprehensive management of changes, deviations, corrections, and prevention, as well as deviations from standards, to be tracked in real time.

1) The QA on the Shop Floor Policy : A system that enables quality assurance personnel to participate directly in key processes to solve or respond promptly to problems when they occur. It is operated to prevent unnecessary process deviations.

Enhancing Quality Assurance Capabilities

We conduct trainings for strengthening quality assurance capabilities of product quality managers. We conduct regular trainings to strengthen GMP competencies. And new employees receive basic training and on-the-job training to ensure they have the necessary skills for their respective jobs.

Jobs that require special capabilities, such as quality testing and aseptic work, are strictly managed to ensure that only authorized employees perform such tasks through verification and qualification procedures. Therefore, our training programs provide not only trainings on common competencies such as quality system operation, production procedures, hygiene, and dress code but also detailed trainings for each specific job, as well as training to enhance the capabilities of each employee.



GMP Training Poster



Training for Strengthening Quality Assurance Capabilities

Quality Test Management

SK bioscience ensures the reliability and management of quality tests for raw materials, intermediates, and final products using validated test methods, trained personnel, and certified equipment. To guarantee the quality and safety of all manufactured pharmaceuticals, we conducts precautionary tests for emerging quality and safety concerns. Also quality tests are conducted before shipment, with results reviewed and managed by the Quality Assurance Division.

The tests are categorized into physicochemical, viral, microbiological, and animal tests. Certified personnel conduct these tests using pharmacopeia standards (USP, EP, KP, etc.)[2] and validated test methods. A dedicated stability chamber[3] is in place for stability studies, with continuous monitoring to collect stability data.

2) Pharmacopeia: Comprehensive collections of detailed information for pharmaceutical quality management, published by various countries, with prominent examples including the United States Pharmacopeia (USP), European Pharmacopoeia (EP), and Korean Pharmacopoeia (KP).
3) Stability Chamber: Equipment that provides various environmental conditions such as temperature, humidity, and light for stability testing.

Enhancing Supplier Quality

Under its quality management framework, SK bioscience operates a proprietary quality certification program to improve the quality systems of its suppliers across the supply chain. On-site quality assessments are conducted for all Tier 1 suppliers, evaluating manufacturing facilities, production processes, laboratories, and equipment according to relevant regulations and guidelines. For indirect suppliers (Tier 2), systematic quality management is ensured through inspections of Tier 1 suppliers' management systems and regulatory body audits. Regular quality inspections are also performed for all component/raw material suppliers (Tier 3), including excipients and packaging materials.

The Company provides continuous support and monitoring for strengthening the quality systems of its partners through a quality certification program with cycles ranging from 2 to 4 years based on supplier risk assessment grades. Regular quality inspections are conducted according to the Criticality Level (CL) of the raw materials, with quality checks performed on each delivery. For CL 1 materials, comprehensive quality inspections are conducted at least once a year.

IDT Quality Assurance Enhancement

IDT Biologika (hereinafter IDT) holds GMP certifications for various product categories, including human and veterinary medicinal products, vaccines, and more. The company’s certifications include EU GMP, US FDA cGMP, WHO, ISO 9001, and other country-specific quality assurance certifications. Product testings are performed at every stage, from raw materials to starting materials, intermediates, final products, and primary packaging.

IDT’s Quality Oversight system is built around continuous monitoring of all relevant GMP guidelines. New developments are incorporated into the Company's Quality Systems to ensure that all manufacturing activities remain compliant with regulatory requirements. Transparent collaboration with clients is also essential for ensuring compliance with regulatory filings.

Quality Risk Management is a core component of the Quality System and is deeply integrated into internal quality processes. A professional Audit Management Team handles client audits and regulatory inspections. While the approach to quality is universally applicable, it is tailored to meet different regulatory requirements. IDT also supports product release by Qualified Persons (QP) in Europe and Quality Assurance release in the U.S.

Pharmacovigilance (PV)

Pharmacovigilance System

SK bioscience has established a pharmacovigilance (PV) process that spans the entire life cycle of a drug.

Safety information is collected and analyzed from non-clinical and clinical trials in the drug development stage, and based on the results, we identify significant risks to the product and develop a post-market risk management plan.

After the product is marketed, we continue to collect adverse event information from healthcare professionals and recipients to identify safety information that was not identified during the development stage, based on the risk management plan established in advance. The collected information is systematically accumulated in our safety database which is used to evaluate the risk/benefit of the products. Based on the evaluation results, we prepare risk mitigation measures by reflecting them in the product supplements, explanatory materials for physicians and professionals, and patient instructions, and implement proactive and thorough safety management to minimize expected risks.

Pharmacovigilance Training

All employees of SK bioscience receive regular pharmacovigilance training at least once a year to thoroughly manage the quality and safety of the products we produce. New hires are required to complete basic pharmacovigilance training within one month of joining the Company, and all employees should take a pharmacovigilance training annually. Additionally, the Marketing Division responsible for products sales receives an additional training beyond the regular one they receive once a year.

Pharmacovigilance Activities

SK bioscience has advanced its pharmacovigilance system to meet the pharmacovigilance requirements of global regulatory authorities. To make it easier and faster for employees to report safety information on our products to the departments in charge, we have established and are operating a SIRS[1)], and we have established and are operating a Safety Database to manage the collected information in accordance with international standards.

In addition, we restructured the Pharmacovigilance Division to strengthen the expertise of our PV activities. We have divided the responsibilities of the existing Pharmacovigilance Division into two main areas: planning drug risk management and establishing risk mitigation measures, and conducting risk-benefit assessments based on collected safety information. Through this segmentation and specialization, we strive to continuously advance our pharmacovigilance (PV) work.

In addition, we have entered into separate Safety Data Exchange Agreements with customers who have introduced our products to collect safety information on products, establish, and operate necessary risk mitigation measures in the contracted areas.

1) SIRS : Safety Internal Reporting System

Pharmacovigilance System Improvement

SK bioscience conducts the following practices to further advance our pharmacovigilance system.

01. Enhancement of Pharmacovigilance and Monitoring System

Since 2019, We have established and operated the PSMF[2], and we regularly update it. Although the PSMF has not yet been legislated in Korea, we have been working to improve the overall level of our PV business system by implementing the PSMF, and we are striving to reflect the requirements of advanced regulatory organizations such as the European Medicines Agency (EMA) in our work. Our Standard Operating Procedures (SOPs) have also been established and operated in line with this philosophy.

02. Operation of Safety Signal Detection Procedures

In May 2023, we established a business process to periodically review the collected data to detect Safety Signals in medicines. Besides the data collected by the Company, we also utilize and analyze raw data collected by the Korea Institute of Drug Safety and Risk Management to monitor unexpected hazards and irregularities.

03. Drug Safety Monitoring System Improvement through Internal and Partner Companies Audits

Starting in 2023, SK bioscience began internal audits of the pharmacovigilance system, and in 2024, we began auditing the pharmacovigilance systems of our partners. Through periodic pharmacovigilance audits, we ensure that our pharmacovigilance business system operates in accordance with relevant regulations, and we examine detailed business systems to ensure that they are efficient and systematic. After the audit, we take action items based on the results of the audit to improve our business procedure, so that both SK bioscience and our partners can continue to enhance the level of product safety management.

2) PSMF : Pharmacovigilance Systems Master File

Antimicrobial Resistance (AMR)

As the Company that develops, produces, and sells vaccines, SK bioscience recognizes the critical global public health risk posed by increasing antibiotic resistance. According to the World Health Organization (WHO), antibiotic resistance is among the top 10 global public health threats. Resistance diminishes the efficacy of antibiotics (including antibacterial, antiviral, and antifungal agents), leading to the spread of infections, severe diseases, disabilities, and increased mortality.

Moreover, antibiotic resistance is identified as a threat to global development. The primary cause of antibiotic resistance is the misuse and overuse of antibiotics in humans, animals, and plants. While this is a worldwide issue, it is particularly severe in underdeveloped countries with fragile healthcare infrastructures, causing significant economic burdens on patients.

Preventing disease infections through vaccination is one method to reduce antibiotic misuse. SK bioscience is committed to developing and marketing effective and safe vaccines to protect humanity from diseases. The Company aims to mitigate global vaccine distribution imbalances and indirectly contribute to reducing public health risks associated with antibiotic resistance by implementing a glocalization strategy in regions with insufficient vaccine production capabilities.

Responsible Marketing

Responsible Marketing Policy

Marketing Compliance

SK bioscience conducts responsible marketing in compliance with relevant laws and regulations, including the Pharmaceutical Affairs Act, the Medical Service Act, the Fair Trade Act, and the Code of Fair Competition. To this end, we have established compliance regulations and put in place detailed guidelines for providing economic benefits to healthcare professionals.

In 2023, SK bioscience published and distributed a Fair Trade Compliance Handbook to all employees. This handbook aims to enhance understanding and adherence to laws related to fair trade, the Pharmaceutical Affairs Act, and the Code of Fair Competition. It includes the fundamental principles and guidelines of fair trade, aiming to ensure transparency and fairness in marketing activities.

We also contribute to protecting consumers and creating a fair competition environment in the industry by complying with laws and regulations related to fair trade and strictly regulating activities related to promotion and advertisement. In particular, to prevent false and exaggerated advertisements, we specify the basic principles and scope of advertisement for pharmaceuticals and establish detailed compliance guidelines for quasi-drug advertisement to minimize the possibility of product misuse.

When producing promotional materials used by our Marketing Division, we use an internal review process called the RED system. It allows us to cross-check whether there are any violations from the medical, licensing, and legal perspectives. We do not conduct any marketing or promotion that may induce prescription of off-label products[1)].

1) Off-label Products : Unapproved medical supplies or products

Always-on Monitoring for Responsible Marketing

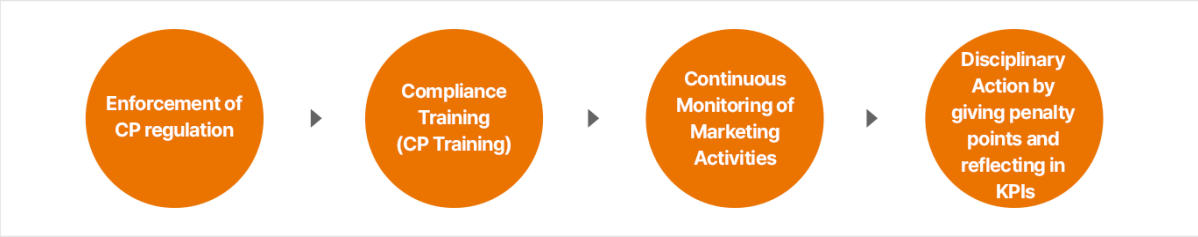
SK bioscience ensures that our sales partners participate in fair trade by conducting annual monitoring of marketing and promotional activities and obtaining fair trade agreements from them.

To ensure compliance with marketing activities in advance, any expense discussions must be agreed upon by the Compliance Division. In addition, after expenses have been incurred, expense reports are instantly monitored to ensure compliance with the Code of Fair Competition and provide quick feedback to support marketing activities.

When violations are detected during the monitoring process, we assign penalty points and reflect the results in organizational and individual KPIs to encourage responsible marketing activities. In the case of serious violations, we take disciplinary proceedings in accordance with Article 14 (Sanctions against employees) of the Compliance Regulations, the results of which are fully disclosed to our members.

We analyze the causes and consequences of the breaches we find and incorporate the lessons learned into our compliance training to prevent the same incidents from happening again and provide practical lessons learned.

Always-on monitoring process for marketing and promotion activities



CP (Compliance Program) Check of Marketing Activities

1	2	3	4
Prior Arrangements	**Report Submission**	**Monitoring**	**Feedback**
• Prior arrangements for CP obligations • Approval of promotion-al activities	Preparation and preservation of a report on expenditure details, including detailed evidence, in the system	• Monitoring of adequacy of marketing expenses • Reflection of monitoring results in individual/ organizational KPI evaluation	Feedback to violations of CP obligations

Marketing Compliance Training

SK bioscience conducts annual training sessions for relevant divisions on compliance with various marketing activities. We strive to establish a fair drug distribution order by providing detailed training on compliance regulations that should be paid attention to in marketing activities, including the Pharmaceutical Affairs Act, the Fair Trade Act, the Code of Fair Competition, and digital marketing as well as how to write an expense report.

2024 Marketing Training Status

Content	Target	Date
Marketing CP training (CP regulations, CP KPI standards, Pharmaceutical Affairs Act, Code of Fair Competition, CP violations, etc.)	Marketing & Sales Office	• 1st Half : January 19, 2024 • 2nd Half : August 27, 2024
Training of the Fair Trade Act	Marketing & Sales Office	January 19, 2024

Customer Satisfaction Strategy

—

Vision & Strategy for Customer Satisfaction

Vision

The Company must continuously satisfy customers to gain trust from customers and ultimately develop together with them.

Strategy

- A unified system from licensing to sales
- Strategies specialized for each public and private market
- Portfolio that encompasses infants, children, and adults of all ages

Customer Classification

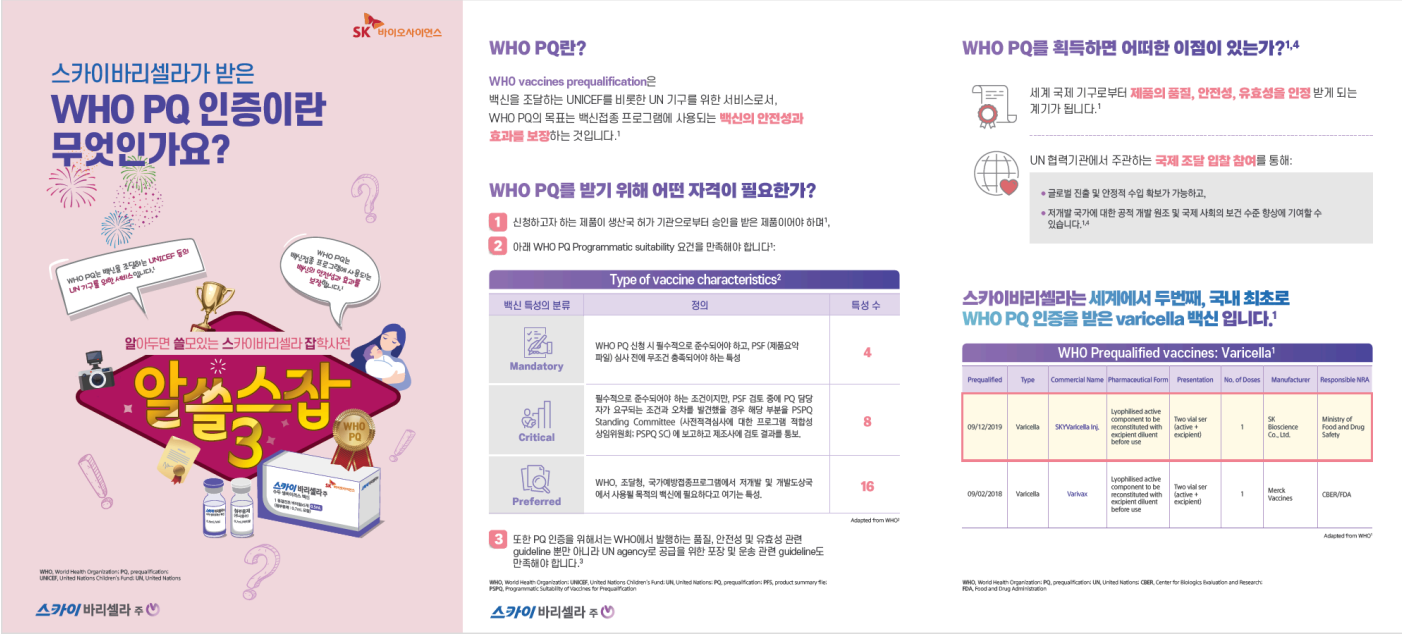
SK bioscience categorizes its customers into distinct segments, including public and private as well as domestic and international markets for effective management.

The Office of Marketing & Sales is in charge of domestic sales of in-house vaccines(SKYVAX), which we developed from R&D to commercialization. The Office of Marketing & Sales is also responsible for customer communication for outsourced product introduction, distribution, and sales.

SKYVAX and the recently WHO PQ-certified SKY Typhoid are supplied to overseas markets through government tenders and distribution agreements with local partners, including international organizations such as UNICEF and PAHO, with each project and contract managers in the Divisions of Business Development manage customers.

Product Information Provision and Consultation

SK bioscience operates a customer consultation service to respond promptly and professionally to consumer inquiries about our vaccine products distributed through general hospitals and clinics. Our professional consultation staffs respond quickly to various customer inquiries such as adverse events and product purchases to minimize consumer anxiety and inconvenience. We also prioritize quality control, safety, accurate information, and maintaining the cold chain throughout the distribution of our vaccines, and transparently communicate key information to our customers, including safety information secured during the approval process. Moving forward, SK bioscience plans to continue to develop marketing strategies to strengthen trust with customers and enhance customer satisfaction, centered on the superior quality, safety, and effectiveness of our products.



Example of Product Information Provision for Customers (SKYVaricella Manual)

Gathering Adverse Event Data

SK bioscience collects confirmed adverse event reports from healthcare professionals and products users through our Customer Contact Center. The collected information is forwarded to our dedicated Pharmacovigilance (PV) Division through our safety information reporting system, and if necessary, we follow up and investigate to obtain additional information.

Domestic Customer Communication

SK bioscience actively communicates with domestic customers through various channels. Our customers include major client companies and general consumers, foreign pharmaceutical companies that import our products, and partners who are authorized to jointly market our products. We have offices in the Seoul Metropolitan area and provinces to facilitate active interactions with customers and regulatory authorities, which are critical when expanding the vaccine business and promoting new businesses.

To actively communicate with key stakeholders, SK bioscience conducts online and offline meetings led by the Steering Committee and a relevant working-level group. Executives and the working-level group from each company meet periodically to discuss major marketing plans for each product, as well as quarterly, monthly, and annual plans, as outlined in their respective contracts.

GOVERNANCE



Composition & Operation of the Board

Composition & Principle of the Board

SK bioscience has declared the 'Corporate Governance Charter' to establish a governance structure to realize a management philosophy. We appoint directors based on principles of independence, expertise, and diversity. Accordingly, the Board of Directors appoints outside directors with expertise in various fields, avoiding bias towards any particular area, to ensure that not only career, gender, race, and nationality but also a wide range of perspectives and values coexist.

As of March 31, 2025, the Board consists of seven directors (two executive directors, four outside directors, and one other non-executive director), with the outside directors accounting for 57%. We ensure the independence of the Board so that it can fulfill its unique role of checks and balances based on its independent decision-making authority and continue efficient management activities centered on the Board. Accordingly, in March 2022, we elected an outside director, Ik-Hwan Kwon, as the Chair of the Board to strengthen oversight and checks on management by separating roles of the CEO and Chair of the Board.

Board Composition



Executive Director

Jaeyong Ahn

Term of Office
~ March 2027

Appointment Date
March 2024 (Reappointment)

Gender
Male

Expertise
Corporate Management

Board Attendance Rate in 2024
100%

Occupation
- **(Current) President and CEO of SK bioscience**
- **(Former) Managing Director of VAX Division, SK chemicals**
- **(Former) Head of LS Strategic Planning, SK chemicals and Head of Business Management, SK gas**

Position and Committee
- **President and CEO**
- **Member of the ESG Committee**



Executive Director

Hun Kim

Term of Office
~ March 2027

Appointment Date
March 2024 (Reappointment)

Gender
Male

Expertise
Bio-industry

Board Attendance Rate in 2024
100%

Occupation
- **(Current) President of Global Business, SK bioscience**
- **(Former) CTO of SK bioscience**
- **(Former) CTO of VAX Division and Head of VAX Division, SK chemicals**
- **(Former) Researcher at Vaccine Research Group, GC Pharma**

Position and Committee
- **President of Global Business**



Outside Director

Ik-Hwan Kwon

Term of Office

~ March 2027

Appointment Date

March 2024 (Reappointment)

Gender

Male

Expertise

Law

Board Attendance Rate in 2024

100%

Occupation

- **(Current) Attorney at KIM & CHANG Law Firm**
- **(Former) Attorney at Kwon Ik-Hwan Law Firm**
- **(Former) Prosecutor at Seoul Southern District Prosecutors' Office**
- **(Former) Chief of Public Security Division, Supreme Prosecutors' Office**

Position and Committee

- **Chair of the Board**
- **Chair of the Outside Director Candidate Recommendation Committee**
- **Chair of the Internal Transaction Committee**
- **Member of the Nomination and Compensation Committee**
- **Member of the Audit Committee**



Outside Director

Eui-Kyung Lee

Term of Office

~ March 2028

Appointment Date

March 2025 (New)

Gender

Female

Expertise

Health · Administration

Board Attendance Rate in 2024

Appointed in 2025[1)]

Occupation

- **(Current) Professor, Department of Pharmaceutical Industry, Sungkyunkwan University**
- **(Former) 5th Commissioner, Ministry of Food and Drug Safety (MFDS)**
- **(Former) Professor, Graduate School of Clinical Pharmacy, Sookmyung Women's University**
- **(Former) Director, Division of Health and Medical Policy Research, Korea Institute for Health and Social Affairs (KIHASA)**

Position and Committee

- **Member of the Internal Transaction Committee**
- **Member of the ESG Committee**
- **Member of the Outside Director Candidate Recommendation Committee**



Outside Director

Jeong-Wook Choi

Term of Office

~ March 2026

Appointment Date

March 2023 (Reappointment)

Gender

Male

Expertise

Finance · Accounting

Board Attendance Rate in 2024

100%

Occupation

- **(Current) Adjunct Professor, College of Business Administration, Seoul National University**
- **(Former) Deputy Director, Samjong KPMG**
- **(Former) Accountant, Kim & Jang Law Firm**

Position and Committee

- **Chair of the Audit Committee**
- **Chair of the Nomination and Compensation Committee**
- **Member of the Internal Transaction Committee**



Outside Director

Sun Hyun Park

Term of Office

~ March 2027

Appointment Date

March 2024

Gender

Male

Expertise

Corporate Strategy, Board Management

Board Attendance Rate in 2024

94.2%

Occupation

- **(Current) Professor of Strategy and International Management, College of Business, Seoul National University**
- **(Former) Visiting Scholar of Management and Organization, Kellogg School of Management, Northwestern University**
- **(Former) Assistant Professor of Management and Organization, Marshall School of Business, University of Southern California**

Position and Committee

- **Chair of the ESG Committee**
- **Member of the Audit Committee**
- **Member of the Outside Director Candidate Recommendation Committee**



Other Non-executive Director

Jae-hyun Ahn

Term of Office
~ March 2026

Appointment Date
March 2023

Gender
Male

Expertise
Corporate Management

Board Attendance Rate in 2024
88.3%

Occupation

- **(Current) President and CEO of SK chemicals**
- **(Former) CEO of SK discovery**
- **(Former) President and CEO of SK ecoplant**

Position and Committee

- **Corporate Management**

1) Former Director, Chang-Jin Moon who resigned in 2025, recorded a 100% attendance rate in 2024.

Board Diversity & Expertise

SK bioscience is committed to securing the professionalism and diversity of the Board to reflect a variety of stakeholder perspectives and make balanced decisions. The Company select candidates for outside directors with expertise in key areas such as corporate management, core industry (Bio), law and regulation, finance and accounting, and risk management, and actively recruit talented individuals with diverse experiences and knowledge necessary to fulfill their duties as directors.

In particular, based on the principle of equal opportunities for women and men, the Board of Directors is composed in such a way that it is not biased toward any particular origin or background, and we strive to select talented individuals who can encompass a wide range of life experiences and perspectives while taking into account the specificities of Korean society. We also consider other diversity factors such as nationality, race, religion, and ethnicity to broaden the Board's perspectives and approaches. This diversity and expertise enables SK bioscience to implement a robust and balanced governance structure.

Board Skills Matrix

(As of March 31, 2025)

Category	Jaeyong Ahn	Hun Kim	Jae-hyun Ahn	Ik-Hwan Kwon	Eui-kyung Lee	Jeong-Wook Choi	Sun Hyun Park
Leadership	●	●	●	●	●	●	●
Business Development & Strategy	●	●	●				●
Finance/Accounting & Risk Management	●		●			●	
Law/Regulations				●	●	●	
ESG	●		●	●	●	●	●
Key Industry (Bio)	●	●	●		●		
Global (Experiences)	●	●	●		●	●	●
M&A/Capital Market	●	●	●	●			●
HR/Remuneration	●		●				●

Composition of the Committees under the Board

The Board of SK bioscience has established five committees under its umbrella to efficiently fulfill the roles and responsibilities of the Board. Among these Board committees, the Audit Committee, the Internal Transaction Committee, and the Outside Director Candidate Recommendation Committee are composed entirely of outside directors to ensure independence and transparency.

The Board of Directors, which is the highest decision-making body, and the ESG Committee address issues related to initiatives to strengthen ESG management and the corporate strategy and direction for the Company's growth.

Board of Directors

	Audit Committee	Nomination and Compensation Committee	ESG Committee	Outside Director Candidate Recommendation Committee	Internal Transaction Committee
Purpose and Authority	• Matters related to shareholder meetings • Submission of audit reports and requests for business reports to directors • Audit-related matters, such as accounting, business, appointment of external auditors	• Review of CEO evaluation and continuation in office • Review the appropriateness of the remuneration of executive directors • Review the evaluation and compensation results of key executives	• Corporate strategies for the Company's sustainable growth • Advising/reviewing the Board's direction on ESG management	• Verifying that prospective outside director candidates meet the qualifications mandated by applicable laws/regulations and the Company's regulations	• Examination of transactions with related parties as mandated for board approval under laws such as the Monopoly Regulation and Fair Trade Act and the Commercial Act
Composition and Members	• 3 Outside Directors - **Jeong-Wook Choi** (Chair) - Ik-Hwan Kwon - Sun-Hyun Park	• 2 Outside Directors - **Jeong-Wook Choi** (Chair) - Ik-Hwan Kwon • 1 Other Non-Executive Director - Jae-hyun Ahn	• 2 Outside Directors - **Sun-Hyun Park** (Chair) - Eui-Kyung Lee • 1 Executive Director - Jaeyong Ahn	• 3 Outside Directors - **Ik-Hwan Kwon** (Chair) - Eui-Kyung Lee - Sun-Hyun Park	• 3 Outside Directors - **Ik-Hwan Kwon** (Chair) - Eui-Kyung Lee - Jeong-Wook Choi
Supporting Dept.	• Board Secretariat	• HR/Corporate Culture Office	• Sustainable Management Department	• HR/Corporate Culture Office	• Legal & Patent Office

Operation of the Board

Training for the Board

SK bioscience also supports outside directors to attend regular forums, conferences, and seminars to improve their understanding of overall management including the bio-industry, ESG management, HR, and audit.

Date	Institution	Attendance Rate	Content
January 10, 2024	SK discovery	All Outside Directors	• SK Group management agendas and overview
May 9, 2024	SK discovery	All Outside Directors	• Training on major tasks for each affiliate under SK discovery • SK discovery and its affiliates' management goals and key tasks • SK bioscience major agendas and business status

Directors Liability

SK bioscience has purchased Directors and Officers (D&O) liability insurance at the Company's expense to secure effectiveness in pursuing liability against directors and to recruit competent persons as directors. This is stipulated in the Corporate Governance Charter to enable Outside Directors to perform their duties more actively.

Directors' Liability Insurance Coverage Status

Insured Corporation	Insurance Premium	Total Coverage Limit	Note
SK bioscience	KRW 56.3 million/Year	KRW 30 billion	**Insured Period** August 1, 2024 ~ July 31, 2025

Board Meetings & Evaluation

Board Meeting and Attendance

In principle, the Board of SK bioscience holds regular board meetings at least once every quarter. If necessary, temporary board meetings are held from time to time to make decisions on significant resolution items. To ensure that Board members are well-prepared and able to conduct thorough reviews, we provide seven days' notice before the meeting along with comprehensive report materials. These materials also include the contact information of the person in charge of the relevant division, enabling questions and answers regarding the resolution in advance.

In 2024, a total of 17 Board meetings were held, with an average attendance rate of 97.5% for all Board meetings. Board members actively expressed their opinions on the Company's major resolutions. The main resolutions and reports included the results of safety and health implementation in 2023 and the establishment of the safety and health plan for 2024, the report on the activities of the compliance officer and the activity plan, the approval of the PPA transaction with SK E&S, obtaining the Health-friendly Company certification, and receiving the Ministry of Health and Welfare's commendation.

Board Attendance Rate

Category	2022	2023	2024
All	96%	98.7%	97.5%
Outside Directors (Non-standing)	98%	100%	97.5%

Board Meetings in 2024

As of December 31, 2024

No. of Meetings held	No. of Resolutions
17	62 (28 Votings, 34 Reportings)

Committee Meetings and Attendance

The committees under the Board keep minutes in accordance with regulations and disclose their activities on the website. Each committee discusses and resolves issues that align with the purpose and authority of its establishment, and the attendance rate for all committees is 100%.

Committee Meetings

As of December 31, 2024

Category	No.of Meetings held	Resolution
Audit Committee	6	**[Agenda]** 1. 2024 audit plan approval 2. Finalization of the evaluation opinion on the operation of internal control system **[Report]** 1. Interim report on internal accounting control system service results 2. Report on 2024 business ethics operations
Nominationand Compensation Committee	4	**[Review]** 1. 2024 company-wide KPIs review 2. Executive directors compensation review 3. Review of 2024 CEO continuation in office
Outside Director Candidate Recommendation Committee	3	**[Agenda]** 1. Recommendation for an outside director candidate (Candidate: Ik-Hwan Kwon) 2. Recommendation for an outside director candidate (Candidate: Sun Hyun Park) 3. Recommendation for an outside director candidate (Candidate: Eui-Kyung Lee) **[Review]** 1. Review of a pool of outside director candidates
Internal Transaction Committee	3	**[Review]** 1. Review of the transaction contract with SK chemicals
ESG Committee	7	**[Review]** 1. Review of SK Group-wide renewable energy joint PPA 2. Execution of donations made for Jigwanseoga creation **[Report]** 1. Global bio ecosystem operation status 2. Progress of the KSSB disclosure response project 3. Results of the 2024 Human Rights Impact Assessment

Operation of Audit Committee

SK bioscience operates the Audit Committee under the Board of Directors to strengthen the compliance monitoring system and enhance management transparency. The Audit Committee conducts audits of the Company's accounting and finance, as well as its overall business, in accordance with laws and regulations. It also receives reports from the compliance implementation organization on the operation status of the Company's compliance program and internal accounting management system, and reviews their adequacy. In accordance with the Audit Committee regulations set forth in the Commercial Law, the Audit Committee is composed entirely of outside directors and includes one accounting and finance expert. The Audit Committee fulfills its responsibilities and duties to establish more professional and transparent governance.

ESG Committee

In 2021, SK bioscience established the ESG Committee comprising one executive director and two outside directors under the Board. To ensure an effective operation of the Committee, the Company revised the ESG Committee Regulations. The primary role of the ESG Committee is to review and advise on management strategies and directions for the Company's sustainable growth. Additionally, the ESG Committee is responsible for setting goals of ESG activities and developing detailed action plans. It also conducts reviews of activities and information disclosures, which allow the Committee to make well-informed decisions regarding ESG risks and opportunities.

Key Roles of ESG Committee

- Establishment of mid- to long-term directions and goals for ESG management & Monitoring of the improvement tasks implementation
- Review of various other ESG-related decisions

Attendance Status of ESG Committee

(As of the end of December, 2024)

Name	Category	Attendance Rate
Chang-Jin Moon	Outside Director	100%
Sun Hyun Park	Outside Director	100%
Jaeyong Ahn	Executive Director	100%

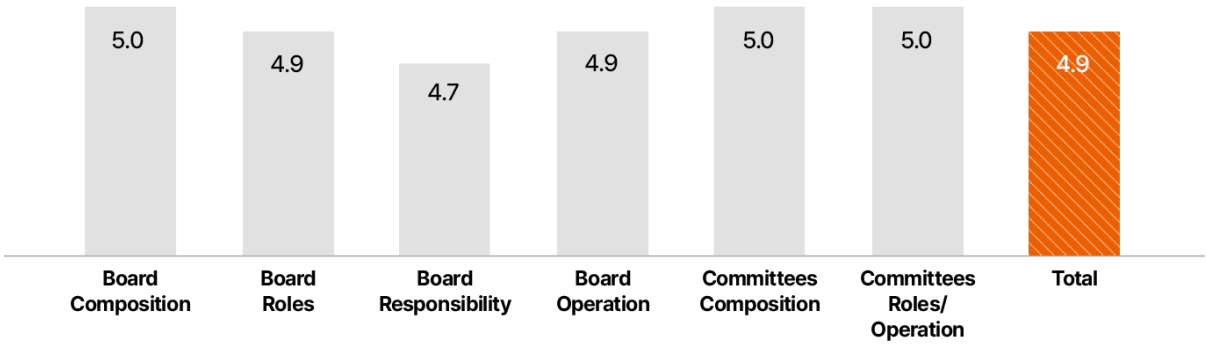
Board Evaluation & Remuneration

Board Evaluation

SK bioscience conducts regular evaluations of the Board and its members' activities once a year to enhance the credibility of governance and improve the efficiency of Board operations. We set out the evaluation criteria in the 'Guidelines for Independence of Outside Directors and Diversity of the Board of Directors', which we have established in accordance with the ESG standards of the Korea Institute of Corporate Governance and Sustainability (KCGS). Moreover, we transparently disclose the evaluation results so that stakeholders can obtain sufficient information on the activities of the Board. In 2024, we carried out a self-evaluation survey and received an overall rating of 4.9 out of 5.

Board Evaluation Results

(Unit : point, out of 5)



Evaluation of Individual Outside Directors

SK bioscience conducts individual evaluations of outside directors once a year to advance our governance. To ensure the objectivity of the evaluation, we use evaluation indicators that reflect the opinions of ESG rating agencies, specialized organizations, and investors.

Evaluation Indicators of Outside Directors

(Score Unit : out of 5 points)

Evaluation Method	Indicators	Weight	Average Score
Qualitative Assessment (self-evaluation survey)	Independence	10%	0.5
	Fidelity	25%	1.23
	Understanding	25%	1.17
	Contribution	40%	1.98
Total		100%	4.88

Board Members Remuneration System

The remuneration payment limit for directors of SK bioscience is determined through the approval at the Annual General Meeting of shareholders to strengthen management transparency and secure compensation justification. We pay salaries and bonuses within the limits approved at the Annual General Meeting, after careful deliberation on the appropriateness of the remuneration for directors. For executive directors, the Nomination and Compensation Committee under the Board reviews the appropriateness of the remuneration and pays it within the approved limits, comprehensively considering factors such as position, leadership, expertise, and contribution to the Company. As for outside directors, fixed remuneration is provided to ensure management independence and transparency.

CEO Evaluation and Remuneration

The remuneration of the CEO of SK bioscience is also paid within the limits of remuneration for directors set at the Annual General Meeting after reporting to the Nomination and Compensation Committee and the Board. We set the salary by comprehensively considering the financial performance of the year, progress in securing future growth engines, ESG performance, and capability and leadership as a CEO, and then get approval from the Board. Bonuses are divided into Profit Sharing (PS) and Target Incentive (TI).

The KPIs for CEO evaluation include not only business performance, but also management issues such as HR and SHE, which are closely related to ESG, to ensure that the Company's environment is well prepared from a mid- to long-term perspective. In 2024, ESG, HR, and SHE were also evaluated by allocating 10% of the evaluation points.

The Nomination and Compensation Committee and the Board review and assess the CEO's KPIs, using the results as quantitative metrics for determining the CEO's bonus.

Category		Description
Earned Income	Salary	Annual salary received in exchange for work
	Bonus	Compensation paid periodically in addition to regular salary, based on specific timing or conditions
	Stock Option Exercise Profit	Profit generated when exercising stock options granted by the Board and the Annual General Meeting
	Other Earned Income	Income generated outside of regular work compensation (e.g., welfare benefits)
Retirement Income		Income generated upon retirement
Other Income		Income generated unrelated to work



Business Ethics Policy

Code of Ethics and its Practice Guidelines

SK bioscience has established business ethics principles that reflect the basic management philosophy of the SK Management System (SKMS), with the belief that 'transparency is the key prerequisite for corporate sustainability'. The Code of Ethics, which was established in consideration of various stakeholders, serves as the basis for judgment of employees' decisions and behaviors in all management activities.

Code of Ethics

Customers
The Company shall continue to satisfy and gain the trust of customers and ultimately grow with them.

Business Partners
The Company shall grow together with its business partners and compete with its competitors in a fair and equitable manner

Employees
The Company shall create an environment in which employees can work willingly and enthusiastically. Employees shall contribute to the growth of the Company and the cre-ation of value for stakeholders.

Society
The Company shall contribute to the development of society through social and cultural activities, as well as economic development, and comply with social norms and ethical standards.

Shareholders
The Company shall increase its own value so as to create shareholders value and to this end, it shall enhance transparency and con-duct efficient management.

SK bioscience's Code of Ethics Practice Guidelines outlines the ethical behavior and compliance obligations of our employees. All employees (including full-time, contract, and other non-exempt employees) adhere to these guidelines, and we actively encourage our stakeholders to do the same. Recognizing the need to supplement and revise the guidelines in recent years, we made efforts to refine them in 2022. The revised guidelines have become more specific and clear, and they now include case-based FAQs to assist employees in better understanding and utilizing them.

SK bioscience Code of Ethics Practice Guidelines

Attitude of Members	Sincere Execution of Work / Prohibition of Conflicts of Interest / Protection of Corporate Assets and Information / Prohibition of Offering or Receiving Money, Valuables and Entertainment / Mutual Respect among Members
Attitude toward Customers	Customer-centered Business Management / Protection of Customer Information
Responsibility for Members	Human-centered Management / Safe and Happiness of Members
Relationship with Business Partners	Win-win Management / Fair Competition with Business Partners
Responsibility for Society	Eco-Friendly management / Corporate Philanthropy
Compliance with Laws and Regulations	Compliance with fair trade laws and regulations / Compliance with international anti-corruption conventions and national · international laws and regulations
Responsibility for Shareholders	Enhancement of Corporate Value / Protection of Shareholder Rights and Interests
Application of Code of Ethics and Practice Guidelines	Compliance Obligations / Protection of Whistleblower

IDT Business Ethics Policy

IDT Biologika (hereinafter IDT) is committed to conducting its business with the highest ethical standards and in full compliance with relevant national laws, as well as the ten fundamental principles outlined by the UN Global Compact. This commitment applies to all employees across operational sites and to all business partners.

The IDT Code of Conduct outlines the fundamental principles for legally compliant behavior. It includes a strong commitment to respecting human rights and sets forth specific measures for protecting the environment and addressing climate change.

Business Ethics·Compliance Management System

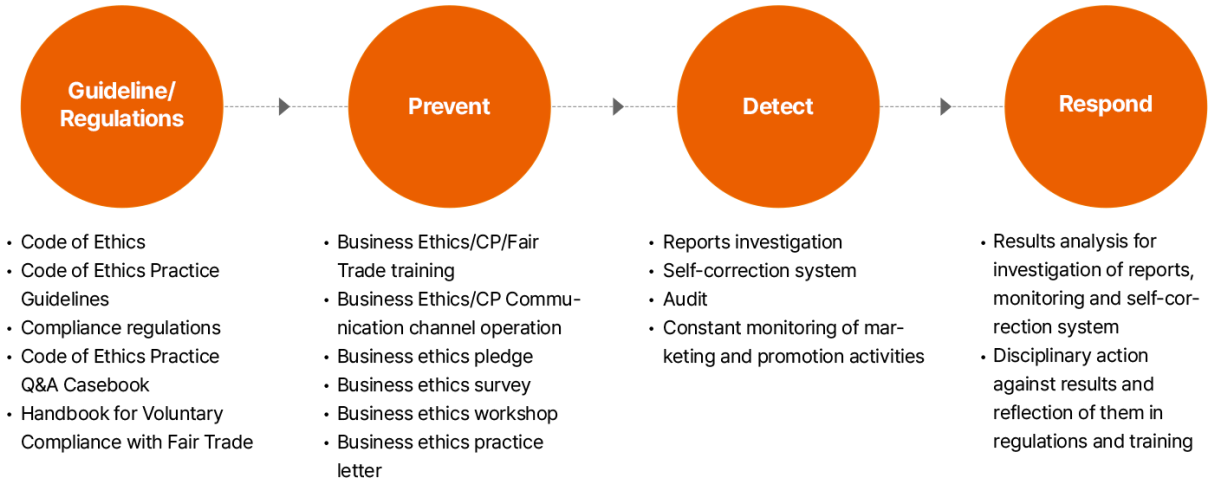
SK bioscience operates a business Ethics and compliance management system based on the belief that a company's competitiveness can only be proven when it secures a competitive advantage in the market while adhering to laws and regulations. In addition, we practice business ethics and compliance management by implementing our Prevent-Detect-Respond framework. This approach helps us avoid profits from unethical business practices and lays the foundation for a fairer and more transparent company.

We set business ethics regulations and regularly conduct annual business ethics and compliance training and pledges to prevent risks and embed ethical practices in our employees. Additionally, we operate a monitoring system that continuously checks marketing cost execution. We conduct business ethics practice surveys to evaluate the level of ethical practices, and the results are reflected to improve the business ethics and compliance management system.

We also operate a reporting channel where employees, business partners, customers, and all other stakeholders can freely consult and report unethical behavior of the Company and employees, and if violations are confirmed as the result of investigation and monitoring of reports, we follow disciplinary procedures, notify all employees, and reflect them in regulations and trainings.

we established audit compliance regulations and secured specialized audit personnel to ensure independent audits in 2022. Building on this foundation, we conducted regular audits focusing on cost and procurement areas in 2023, and further checked key expense items for potential misuse, reporting the results to the Audit Committee. We will continue to audit key areas of vulnerabilities to identify and remediate management leaks and inefficiencies.

Business Ethics·Compliance Management Procedure



Business Ethics·Compliance Implementation Governance

SK bioscience has established a company-wide business and compliance management system and operates related programs. The Head of Legal & Patent Office is appointed as the Compliance Officer, responsible for planning, implementation, evaluation, and supervision of the entire process of the voluntary compliance program. In addition, the Business Ethics and Compliance Officer oversees business-related activities such as pharmaceutical compliance activities and programs to raise the level of awareness of voluntary fair trade compliance among all employees. The Compliance Officer reports annually to the Board on these activities and future plans.

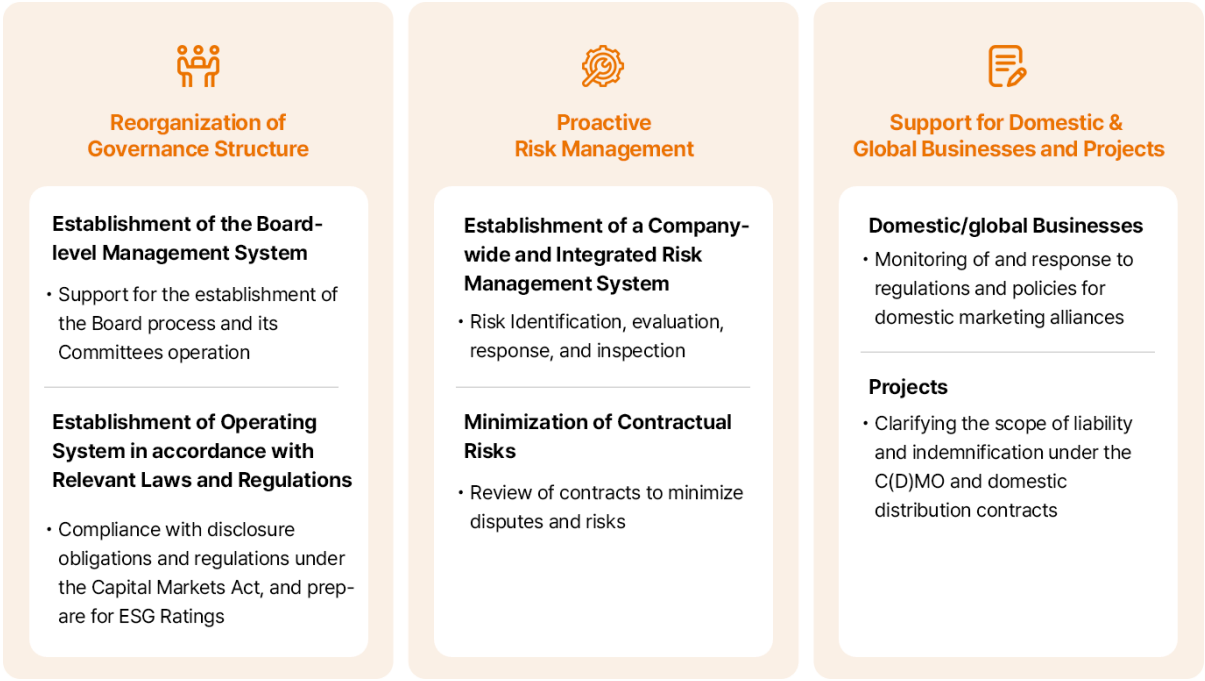
We operate a dedicated compliance division (Ethics Management Team) to establish a compliance system, monitor and investigate reports. The Team also makes efforts to prevent compliance violations in advance by providing compliance-related training and imposing penalties for violations. In addition, in order to review the internal business system as the Company's business environment changes, we secured specialized audit personnel and added audit functions to the Ethics Management Team in 2022 to establish audit system. Since 2023, we have made every effort to upgrade the business ethics and compliance management system throughout the Company by conducting full-scale audit activities.



Responsibilities of Compliance Officer

SK bioscience has appointed the head of the Legal & Patent Office as the Compliance Officer to practically carry out compliance control activities. The tenure for the Compliance Officer is three years, and he/she plays a key role in overseeing the Company's compliance works, strengthening the governance system and proactively preventing legal risks.

SK bioscience has strengthened its compliance system by specifying the activities, duties, and authority of the Compliance Officer in the Compliance Control Standards. The Compliance Officer is responsible for operating compliance education/training programs and checking whether the Guidelines are being followed. If necessary, the Compliance Officer may request employees to submit materials and seek advice from external experts, as well as make a statement to the Board in relation to compliance control. In addition to general compliance activities, the Compliance Officer strives to advance the company-wide compliance system through risk prevention activities, thereby contributing to the achievement of the Legal and Patent Office's 2030 long-term vision of becoming a "Proactive & Business-oriented Legal Solution Provider.



IDT Business Ethics · Compliance Management System

A key component of IDT business ethics and compliance framework is the regular conduct of audits and risk assessments. These assessments focus on identifying and evaluating potential risks in areas such as:

- Economic Crime: Including anti-corruption, bribery, and money laundering
- Protection of Sensitive Data and Business Secrets
- Compliance with Competition and Antitrust Laws

The objective of these audits is to systematically identify potential risks, implement appropriate measures to address those risks, and ensure that the entire process is fully documented and traceable. Additionally, IDT conducts a risk-based analysis of its business partners, known as the Business Partner Review.

In line with the EU Whistleblower Directive 2019/1937 and with the approval of the works council, IDT introduced an electronic whistleblower system in 2021. This system allows both employees and external third parties to report violations of compliance regulations, human rights infringements, environmental law breaches, and other misconduct.

Business Ethics·Compliance Capacity-building

SK bioscience administers various forms of ethics training for all employees (including part-time) and contractors, to ensure comprehensive understanding and adherence to the Code of Ethics. SK Group's online ethical management training utilizes video contents based on various cases such as sincere execution of work, mutual respect, asset protection, conflicts of interest, and acceptance of money, valuables and entertainment to strengthen employees' ethical and compliance capabilities and internalize them into ethical decision-making. SK Group also conducts ethical management practice workshops at each organization where leaders and employees discuss ethical dilemmas and ways to practice business ethics together. Furthermore, the Company implements regular compliance training for the sales and marketing divisions and delivers ad-hoc training during the onboarding of new and experienced staff to fortify a robust internal compliance culture.

In order to raise employees' awareness of ethical practices, we first implemented company-wide ethical management self-education in 2023, and in 2024, we conducted self-education based on key ethical management issues for all employees.

Ethics Training

Group Online Training (Annual)

Sincere execution of work, Mutual respect, Conflicts of interest, Asset protection, Prohibition of accepting money/valuable/entertainment, Introduction of Reporting Channel, etc.

SKBS Ethics Training (Annual)

Key contents of the Code of Ethics Practice Guidelines, relevant cases, check points, practice methods, etc.

Regular/Occasional CP Training

Employees (twice/1yr), New/Experience hires (Occasional)

Business Ethics Practice Survey

27 Questions (Compliance with the Code of Ethics and Business Ethics Practice System)

Business Ethics Practice Workshop

- Interactive discussion for each organization
- Enhancement of employees' ethical decision-making skills

IDT Business Ethics · Compliance Capacity-building

To ensure the effective integration of ethics and compliance management system, IDT provides specialized training for two distinct employee groups. All new employees are required to complete this training as part of their onboarding process. Additionally, existing employees are required to undergo regular refresher courses. The specifics of the training methodology and the selection of topics are outlined in the "IDT Biologika GmbH Guidelines for Compliance Training."



Risk Management System

SK bioscience operates the Enterprise Risk Management (ERM) system to manage financial and non-financial risks that may arise from business activities in an integrated manner. The primary goal of the ERM is to minimize the likelihood of risks materializing and negatively impacting the business. To achieve this, risk factors related to our business are selected as priority management tasks and managed intensively. We prioritize a long-term perspective in ERM operations to effectively respond to risks that dynamically change based on the internal and external business environment.

Process of Risk Identification – Measurement – Management – Assessment

Systematic Risk Management Basis through Identification & Measurement of Each Risk

Risk Identification

Definition of Risk

- The probability of an event having an impact on the achievement of an organizational objective

Distinguishing Risks from Events that have already occurred

- Since the event has already occurred, it is no longer considered a risk
- An appropriate follow-up response is the best management

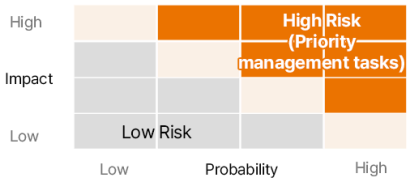
Identification, Measurability

- Identification and measurement are the essential steps of risk management

Risk Measurement

Risk Measurement

- Based on the probability of occurrence and the degree of impact, we
  - measure the risk-level (high/medium/ low)
  - manage the high risk first and then move onto priority management tasks



Establishment of Future Plans

Determination of the Management Entity

Continued Management by the ERM

Managed by the Business Units

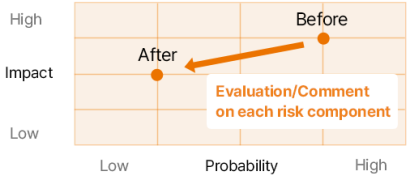
Establishment of Future Plans

- Division assigned to each task proactively establishes and implements a new plan after identifying shortcomings of the existing plan

Risk Management Activities and Assessment of Risk Management Effectiveness

Assessment of the Current Risk Level

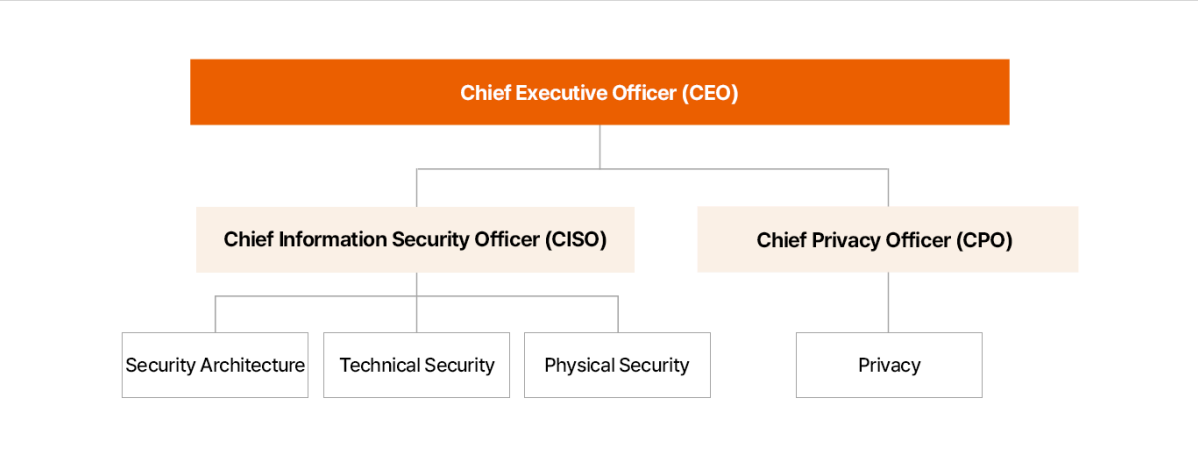
- Evaluate the current risk level based on risk management activities performed for each task



Comprehensive Risk Management

SK bioscience reviews and supervises financial, ethics, and compliance risks by the Audit Committee, and non-financial risks such as climate change and human rights by the ESG Committee. Major risks are reported and approved by the Board of Directors to enhance the risk management system.

In the second half of 2024, we will appoint two Chief Risk Officers (CROs) to oversee financial and non-financial risk management respectively, to advance our comprehensive risk management capabilities across the entire Company. This will facilitate cross-functional collaboration on interrelated risks across the business and strengthen our ability to respond proactively. In addition, we will routinize risk-related reporting to the Board of Directors from 2025 to further strengthen the Board's oversight function.



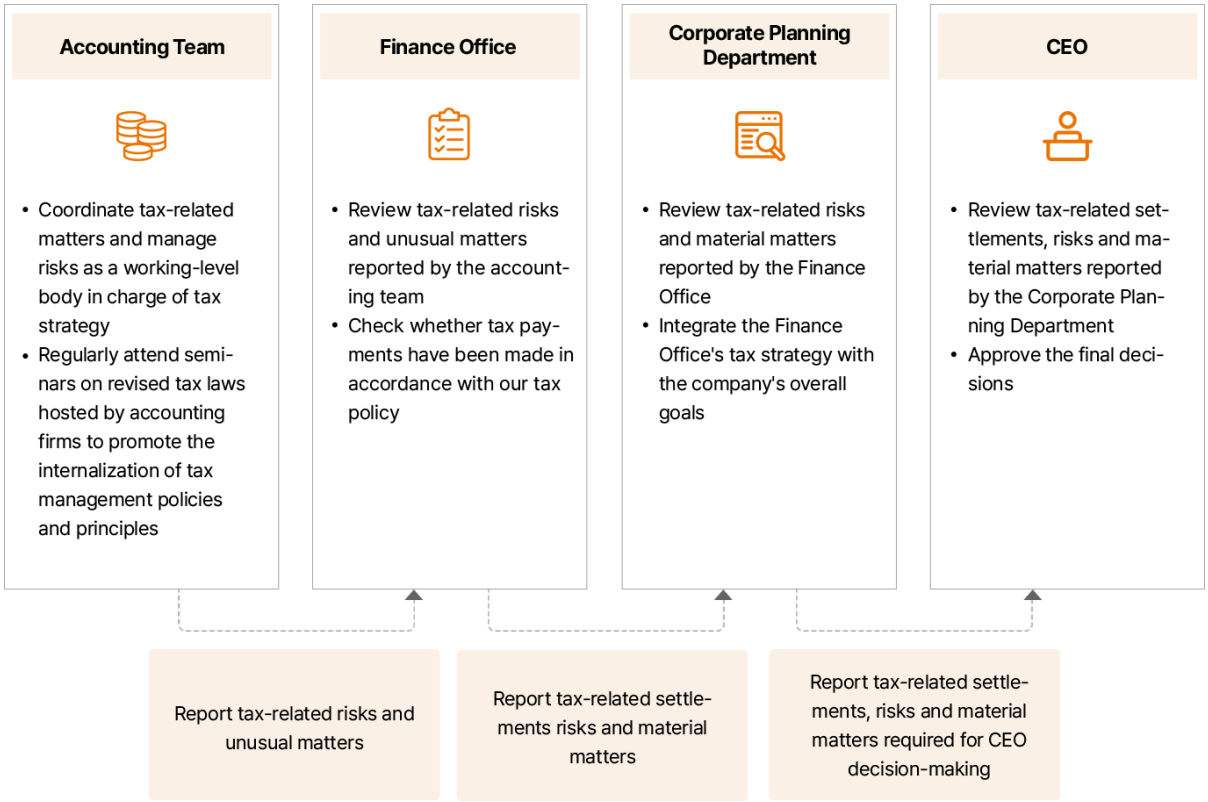
Tax Risk Management

SK bioscience complies with domestic and international tax policies and regulations and faithfully fulfills its obligations to file tax returns and pay taxes. We do not transfer income to other countries to exploit differences in tax laws or loopholes in the international tax system. Moreover, we ensure that taxable income is allocated consistently with the value created in each country where we conduct business activities. To proactively manage tax risks, we seek advice on taxes from external tax experts. For major tax issues, we consult tax authorities in advance and carry out tax-related activities based on authoritative interpretations obtained during these consultations.

We evaluate and manage tax risks that may arise due to ongoing changes in tax policies, as well as those associated with our business activities, including new growth investments. Recognizing the complexity of tax laws and differences in interpretation, we understand that it is impossible to eliminate all tax risks entirely. Therefore, our focus lies in preemptive identification and management of uncertain tax issues. To proactively prevent such risks, we continuously monitor domestic and international tax laws, as well as tax trends in each country, and cooperate and communicate with tax experts.

When it comes to transactions between related parties, SK bioscience observes the arm's length principle aligned with the OECD Transfer Pricing Guidelines and the laws of each country. For transfer pricing transactions with related parties abroad, we will prepare a Base Erosion and Profit Shifting (BEPS) report and a transfer pricing report with an external tax expert if necessary. We will also oversee the implementation of transparent tax strategies such as the prevention of tax evasion and income transfer. In addition, we will analyze in advance the calculation of effective tax rates by country and whether additional taxes will be incurred in connection with the implementation of the Global Minimum Tax, and manage appropriate response procedures if necessary.

Tax-related Decision-making System

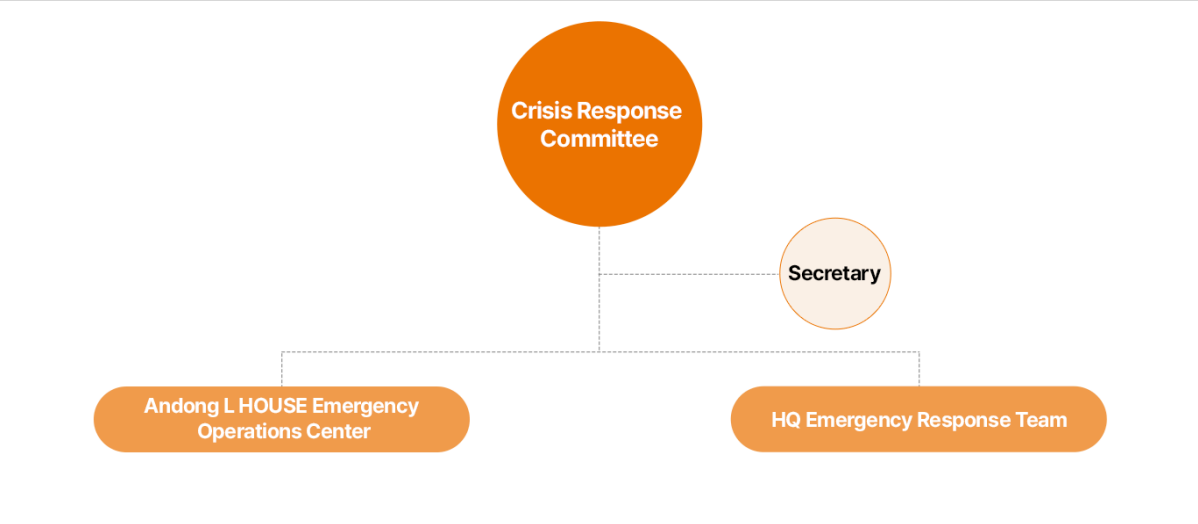


Operation of Business Continuity Plan

SK bioscience has established an emergency response plan to minimize human, material, and environmental losses in the event of an unavoidable accident such as a natural disaster or catastrophe. In case of an accident, we implement a staged systematic response plan consisting of a series of actions that enable us to respond to crises quickly and systematically. These actions include reporting, organizing and convening an emergency response team, and disseminating information about the situation. In accordance with the internal emergency response management regulations, responsibilities, authorities, and response plans for each division are established. The decision to activate the emergency response committee is made based on the severity of the situation.

In addition, we also designed a Business Continuity Plan (BCP) to ensure business continuity in the event of an emergency. We operate situation-specific response scenarios for a possible emergency and respond according to unified instructions and reports to minimize the damage caused by disruption of business activities. Additionally, we maintain continuous communication with our stakeholders through both internal and external channels, ensuring that the impact on them is minimized. In 2024, we conducted a total of five emergency response drills, and in 2025 we will expand response drills to strengthen each organization's ability to respond early stage in an emergency.

Organizational Chart for Crisis/Emergency Response Committee

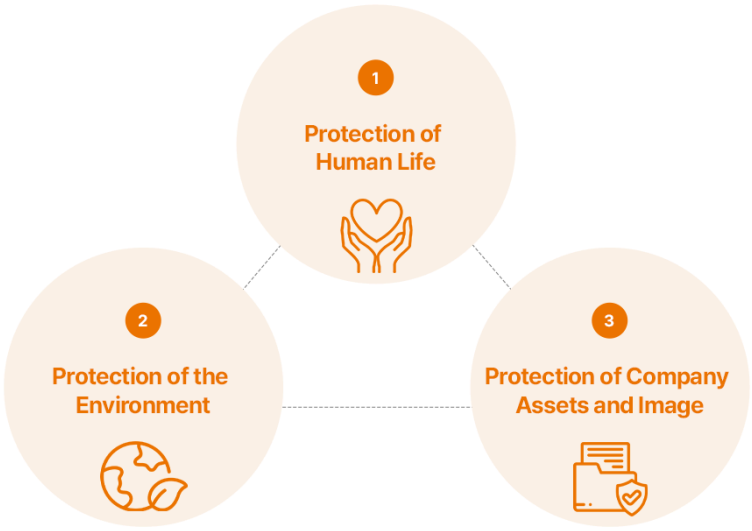


SK bioscience strives to minimize damages by proactively managing all risk factors that arise in the business sites. Accordingly, we have established an emergency response system and emergency response procedures to promptly respond to emergencies in the workplace.

We set up a disaster prevention system to monitor on-site emergencies 24 hours and prepared response scenarios by predicting emergencies in the SHE (Safety · Health · Environment) aspect. The emergencies and response levels are categorized based on the severity of damage and the possibility of further escalation. We have also defined the roles and responsibilities of divisions in charge of on-site response, support, and emergency contacts.

Meanwhile, under the leadership of the SHE Team, we conduct joint drills at least once every quarter to enhance our crisis response capabilities, and we also establish improvement plans for problems identified through the drills.

Emergency Response Policy: Operational Principles



Types of Emergency

Emergency	• Personal injury accident • Fire and explosion accident • Oil leakage accident: land/sea • Leakage accident: toxic/flammable gas
Quasi-emergency	• Natural disasters such as typhoons, heavy rains, earthquakes, and tsunamis • Risk of an accident occurring in a nearby area that may spread to the business site • Blackout

Supply Chain Diversification Strategy

SK bioscience has established and operated a supply chain diversification strategy to ensure stable production and seamless inventory management. By reducing dependence on a small number of suppliers and securing supply chain diversification, the Company ensures a stable and systematic supply chain capable of quickly and flexibly responding to global demand in the event of production disruptions or unforeseen supply interruptions. This strategy allows SK bioscience to maintain continuous and reliable product manufacturing and supply.

IDT Business Continuity Plan

IDT Biologika (hereinafter IDT) Business Continuity Management (BCM) ensures the continuity of operations by identifying potential risks, preparing for emergencies, and improving recovery times. It focuses on critical business processes and addresses the impact of risks, such as disruptions to these processes or the loss of essential resources.

The IDT BCM follows the ISO 22301 standard, which is based on the PDCA (Plan-Do-Check-Act) cycle. This cycle is divided into four phases: planning (Plan), implementation (Do), monitoring (Check), and corrective action (Act). In the event of an emergency, structured plans are developed, and employees are trained to handle possible situations. With this approach, IDT is equipped with both preventive and reactive measures to manage internal or external incidents effectively.

Information Security

Information Security Management System

Starting with the revision of security-related policies, SK bioscience has designated a Chief Information Security Officer (CISO) and established an information security management system centered on a dedicated information protection team.

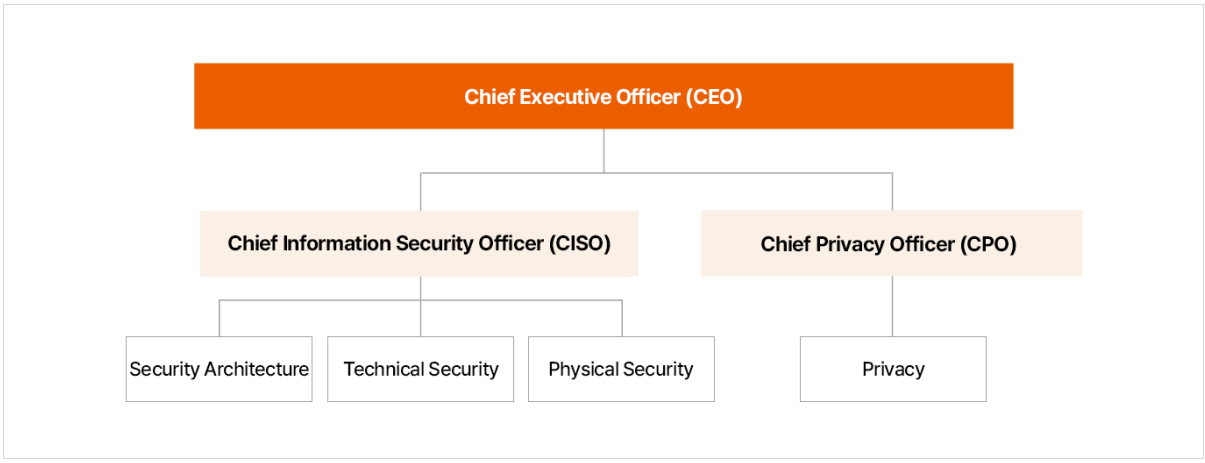
The Company's information protection-related policies and procedures are continuously updated in accordance with compliance regulations and changes in the internal work environment. In accordance with the Personal Information Protection Act and related enforcement regulations, we have established and operate an internal management plan that reflects the standards for measures to ensure the safety of personal information. In addition, we transparently disclose our privacy policy on our website.

In 2023, we appointed individuals in charge of security for each department who are tasked with disseminating regular security training and checkpoints within their respective departments, to manage information protection issues. In 2024, SK bioscience continues to pursue information security enhancement activities, including further strengthening security capabilities to respond to the changing IT/OT environment and perfecting asset protection systems in the cloud environment.

Information Protection Division

The SK bioscience information protection division's tasks are managed and supervised by a C-level executive. The tasks are divided into three detailed areas which are technical security, privacy, and physical security. Each area is led by a manager, and in the case of physical security, we have allocated managers at the Headquarters and Andong L HOUSE respectively.

In addition, we have appointed a personnel with expertise in information protection as the Chief Information Security Officer (CISO), and put our effort to strengthen our capabilities to achieve a level of information protection management that corresponds to international standards.



Information Protection Goals

SK bioscience effectively and reliably protects corporate assets by controlling information leakage routes through information protection and specifying procedures and the roles and authorities of personnel in charge to ensure necessary security measures are implemented.

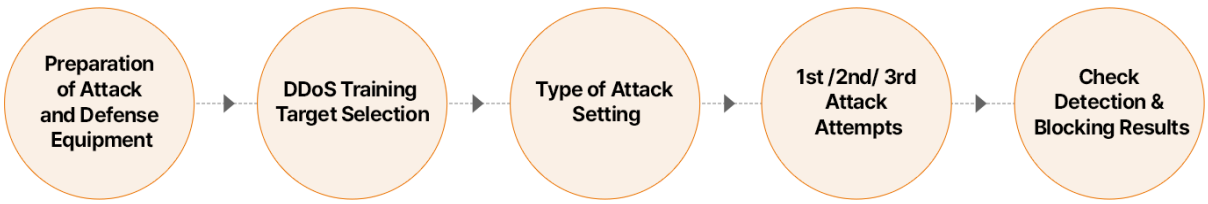
We conduct information protection activities that meet the standard requirements of international standards such as GMP, and strengthen our IT security control system and external data security by reflecting ISO 27001 standard which is the information protection and privacy management system. Since 2022, SK bioscience has maintained ISO 27001 certification, preemptively identifying risk factors in the field of information security. The Company adheres to the standards for publicly listed companies in Korea by annually disclosing transparent security activities through information protection disclosures.

Through these efforts, we are committed to enhancing our security capabilities at a global level and earning the trust of our global partners.

Prevention of and Response to Cybersecurity Incidents

To prevent and respond to cybersecurity incidents, SK bioscience conducts regular inspections of major systems and strengthens the security review process upon the introduction of new solutions. In addition, we conduct simulated phishing every half year to diagnose vulnerabilities and establish safe business systems through continuous management. At each simulation training, we send a total of two warning emails to employees who had their computers infected with malware and carry out PC scans and checks. In addition, we conduct DDoS simulation training in the second half of each year to check the detection and blocking abilities of our security systems and the availability of security equipment by conducting three simulated attacks consisting of prevalent and new attack types.

DDoS Simulation Training Procedure



Information Security Activities and Training

SK bioscience's company-wide IT system is kept safe from internal and external threats such as information leakage through remote control services provided by a professional security company.

To raise security awareness among all employees and prevent internal information leaks, we designate an annual 'Company-wide Security Day' to conduct self-inspections on life security, document security, and work devices, and impose penalties on security violators to prevent recurrence. We also share malicious/phishing email trends and new security threat cases with employees every month via the Company notice board, and continue our efforts to establish a security culture.

In addition, we regularly provide privacy and information security training to our employees, new hires, and business partners, and our training programs are updated annually to reflect the latest security issues. This allows us to provide customized security training by role and continuously strengthen our employees' security capabilities.

E S G
D A T A
L I B R A R Y



Company Overview



SK bioscience is a specialized vaccine and biopharmaceutical company that was established on July 1, 2018, through a spin-off based on the accumulated capabilities of SK chemicals' vaccine business unit. Under the mission of 'Promoting human health, from prevention to cure', SK bioscience has built its own vaccine portfolio and continuously pursued global projects. During the COVID-19 pandemic, the Company successfully responded with a two-track strategy of global vaccine C(D)MO services and in-house vaccine development, establishing a high level of expertise and a robust network in the vaccine field.

In 2024, our next-generation pneumococcal vaccine, which is being co-developed with Sanofi, began its preparation to enter Phase III clinical trials globally, and we acquired IDT Biologika, a German vaccine and biopharmaceutical production company, to secure a production base in Europe and further strengthen our global C(D)MO business capabilities. In addition, our typhoid conjugate vaccine, SKYTyphoid, received prequalification (PQ) certification from the World Health Organization (WHO), further enhancing our competitiveness in the global health market.

Name	SK bioscience Co., Ltd.
Business Areas	R&D, production, and sales of vaccines and biopharmaceuticals
Business Sites	Pangyo Headquarters and R&D Center, Andong L HOUSE
Subsidiaries	SK bioscience USA Inc., IDT Biologika GmbH
Homepage	www.skbioscience.com
No. of Employees	1,028
Financial Performance[1)]	Revenue : KRW 267.5 billion Operating Loss : KRW 138.4 billion Net Loss : KRW 50.1 billion

1) As of December 31, 2024

Our Business

Category	Detail
In-house Vaccine Development and Manufacturing	• R&D of in-house vaccines, such as COVID-19 vaccine, in collaboration with global organizations and companies based on our own technological capabilities • Mass production of vaccines at Andong L HOUSE, a global-level vaccine manufacturing plant
Global Co-development and Technology Transfer	• Joint development and technology transfer throughout the entire process, from candidate discovery through clinical trials, licensing, and sales - Rapid delivery of product development solutions - Open innovation with global partners
Global CMO·CDMO Business	• Joint vaccine research and vaccine C(D)MO business with global companies/organizations based on our diverse platform development experience, technological prowess, and flexible production system
Domestic Business	• Joint sales and C(D)MO business with domestic/foreign companies to improve the convenience of vaccine recipients and expand the domestic vaccine market based on our sales capabilities and marketing infrastructure

Major Products

SK bioscience is a leading vaccine company that emerged as a spin-off from SK chemicals in 2018. Prior to the spin-off, SK bioscience selected premium vaccines with high-added value as its primary growth engine. Since then, it has continuously made development efforts, successfully creating Korea's first trivalent cell culture influenza vaccine in 2015, a quadrivalent cell culture influenza vaccine in 2016, a zoster vaccine in 2017, a varicella vaccine in 2018, and the first homegrown Covid-19 Vaccine SKYCovione in 2022. In addition to premium vaccines, SK bioscience has secured a new pipeline and platform technologies in the fields of basic and therapeutic vaccines. Simultaneously, while expanding its business into biopharmaceuticals, it has established a plan to become a major global vaccine and bio-company.

SKYCellflu Trivalent (Cell-culture-derived influenza vaccine)



In 2015, SKYCellflu Trivalent was the first cell culture-based influenza vaccine developed in South Korea.

It is manufactured in bioreactors without any antibiotics or preservatives, unlike fertile chicken eggs which can be dangerous for people with allergies.

As a cell culture-based vaccine, it acquired the first World Health Organization Pre-Qualification (PQ) certification.

SkyZoster Inj. (Herpes zoster live attenuated vaccine)



The world's second and South Korea's first shingles vaccine (herpes zoster), SKYZoster Inj. is a premium vaccine.

The vaccine is a live attenuated varicella-zoster virus, which has been rigorously proven safe by specialized non-clinical trial institutes, and provided to various countries.

After its launch, the vaccine has become a leading product in meeting the rising demand for herpes zoster treatments.

SKYCovione Multi Inj. (Recombinant protein vaccine for COVID-19)



SKYCovione is South Korea's first developed synthetic antigen COVID-19 vaccine.

The synthetic antigen vaccine platform has a long history of safety and efficacy in existing vaccines, including influenza (flu), hepatitis B, and cervical cancer.

Additionally, these vaccines can be stored under refrigerated conditions of 2 to 8 degrees Celsius, allowing them to be distributed using the existing vaccine logistics network without the need for thawing or other processes during the administration stage.

SKYCellflu Quadrivalent (Cell-culture-based influenza vaccine)



SKYCellflu Quadrivalent is South Korea's only and the world's first cell culture-based quadrivalent influenza vaccine.

Same with SKYCellflu Trivalent, it is manufactured in bioreactors without any antibiotics or preservatives which shortens the production period by 2-3 months and secures production stability comparing to the conventional technique of using fertile chicken eggs.

Based on the WHO Pre-Qualification (PQ), its innovation and reliability have garnered high market shares domestically and globally.

SKYVaricella Inj. (Live Varicella Virus Vaccine)



A chickenpox vaccine, SKYVaricella Inj. was developed with our own bioprocess technology.

Its immunogenicity and safety have been confirmed in a global phase 3 clinical trial conducted in children at 19 domestic and foreign clinical institutions.

It received the world's second WHO PQ certification and won the bid for export to Latin America from the Pan American Health Organization (PAHO), an international United Nations organization.

SKYTyphoid Multi Inj. (Typhoid conjugate vaccine, for export)



SKYTyphoid Multi Inj. is a polysaccharide-protein conjugate vaccine developed by conjugating the polysaccharide of typhoid bacteria, which acts as the antigen, to the diphtheria toxin protein (diphtheria toxoid), which acts as a carrier.

Since 2013, SK bioscience jointly developed the vaccine with the International Vaccine Institute (IVI) and Bill & Melinda Gates Foundation. After the completion of development in 2022, we have even obtained a export item license.

It offers higher immunogenicity with a single dose and provides longer-term prevention, thus inoculation for infants and toddlers exposed to poor environment lacking clean water can be effective.

Memberships and Global Initiatives

- Korea Pharmaceutical and Bio-Pharma Manufacturers Association
- Korea Biotechnology Industry Organization
- Korea Biomedicine Industry Association
- Developing Countries Vaccine Manufacturers Network (DCVMN)
- Task Force on Climate-Related Financial Disclosures (TCFD)

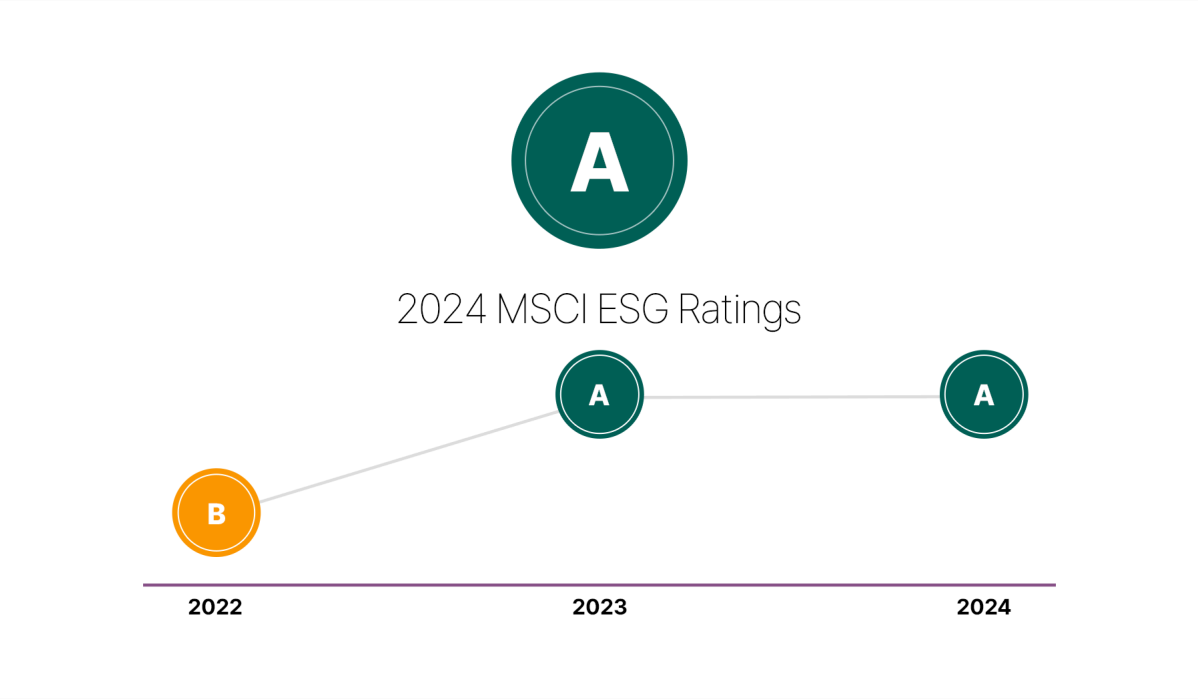
ESG Ratings

Korea Institute of Corporate Governance and Sustainability (KCGS)



Since 2003, the Korea Institute of Corporate Governance and Sustainability (KCGS) has evaluated the corporate governance based on high transparency and expertise. Since 2011, KCGS has also been assessing the sustainability management levels of domestic listed companies annually through ESG ratings. The KCGS ESG evaluation model aligns with international standards such as the OECD Principles of Corporate Governance and ISO 26000, while also thoroughly reflecting domestic laws and the business environment.

Morgan Stanley Capital International (MSCI)



MSCI (Morgan Stanley Capital International) has provided comprehensive ESG Ratings since 1999. The Ratings are conducted on the basis of 10 topics in respective to ESG areas combining 35 industry-specific key issues with different weights for various industries. MSCI rates companies' ESG performance on seven scale from AAA (best) to CCC (worst).

Carbon Disclosure Project (CDP)



The Carbon Disclosure Project (CDP) is a global initiative that requires and assesses the environmental disclosures and performance of major companies around the world. The Climate Change area evaluates a company's greenhouse gas reduction activities and strategies to address climate change and assigns eight-level scoring band from Leadership (A/A-) to Disclosure (D/D-).

Stakeholder Engagement

SK bioscience identifies the key concerns of each stakeholder and communicates with them through relevant communication channels. Through the operation of these stakeholder communication channels, SK bioscience promotes sustainable growth.

Stakeholders	Communication Channel	Main Issue
Employees	Internal bulletin board, HR briefing sessions, surveys, Internal Grievance Handling Channel, collective bargaining and labor-management council	HR system, organizational culture, wages and benefits, work conditions, work-life balance, etc.
Customers	Online reports, sales/marketing channels, etc.	Customer satisfaction activities, product safety and quality
Business Partners	Partner meetings, communication channels within the procurement portal, the Voice of Suppliers, ethics and human rights issues consulting/reporting channel, etc.	Fair trade, BP's health & safety, win-win cooperation, business ethics, etc.
Shareholders/ Investment institutions	IR meetings, investment briefings, general meetings of stockholders, electronic disclosures, etc.	Business performance, investment plan, shareholder-friendly management, ESG disclosure
Press/ Public	On/offline press conferences, website, press releases, phone calls, etc.	Response to media regarding inquiries, company events, and industry trends
Government/ Associations	Meetings, public hearings, seminars, dialog organizations (consultative bodies, etc.), written inquiries, etc.	Establishment of a global bio-ecosystem, shared growth, etc
Communities/ NGOs	Corporate philanthropy activities, meetings with local governments and experts	Nurturing local talent, creating jobs, and contributing to society



ESG Data Reporting Scope and Notation Guidelines

- All data reflect the performance of SK bioscience only. In cases where the scope differs from this reporting boundary, explanations are provided in the table footnotes.
- SK bioscience data cover all worksites (Headquarters, R&D Center, and L HOUSE), and any deviations (e.g., partial site inclusion) are clearly indicated.

R&D Investments

Category		Unit	2022	2023	2024
R&D investment	Investment cost	KRW 1 million	57,960	85,743	71,352
	R&D intensity[1)]	%	24.7	31.7	64.7
Achievement[2)]	Portfolio	No.	17	20	22
	Products under clinical trial	No.	5	5	5

1) R&D expenses (before grants)/sales
2) Revised to reflect discrepancies identified with figures reported in the business report

Intellectual Property Rights

Category			Unit	2022	2023	2024
Domestic	Patent	Application	No.	17	17	9
		Registration	No.	7	12	5
	Trademark	Application	No.	5	0	4
		Registration	No.	0	10	6
Overseas	Patent	Application	No.	54	44[1)]	77
		Registration	No.	29	37[1)]	16
	Trademark	Application	No.	69[1)]	0	0
		Registration	No.	56[1)]	9	4
Total	Patent	Application	No.	71	61	86
		Registration	No.	36	49	21
	Trademark	Application	No.	74	0	4
		Registration	No.	56	19	10

1) Based on the number of applications and registrations available in the patent search system, the number has increased due to a time lag between actual applications/registrations and system updates.

Creation & Distribution of Economic Value

Category		Unit	2022	2023	2024
Direct economic value generated	Revenue	KRW 1 million	456,726	369,506	156,286
Economic value distributed	Salary & Benefits (Employees)	KRW 1 million	103,758	101,585	98,941
	Dividends & Interest payments	KRW 1 million	1,431	170[1)]	826
	Corporate tax (Government)	KRW 1 million	19,281	-14,990	-45,356
	Raw material cost (Suppliers)	KRW 1 million	68,615	130,875	64,621
	Community investment (Donations)	KRW 1 million	5,162	3,498	3,995
	Total	KRW 1 million	198,247	221,138	123,027

1) Decrease in payments due to the full repayment of outstanding foreign currency loans

Corporate Tax

Category	Unit	2022	2023	2024
Pre-tax profit	KRW 1 million	142,098	9,416	-112,018
Nominal tax amount	KRW 1 million	33,926	1,946	-25,414
Nominal tax rate	%	23.9	20.7	22.7
Effective tax paid	KRW 1 million	19,281	-14,990	-45,356
Effective tax rate	%	13.6	0	0
Difference between nominal tax and effective tax	KRW 1 million	14,644	16,936	19,942

Government Financial Support

Category	Unit	2022	2023	2024
Government R&D subsidy	KRW 1 million	627	611	447
Tax credit & Reduction	KRW 1 million	11,527	1,364	0

Participation in Associations & Contributions

Category	Unit	2022	2023	2024
Major contributions[1)]	KRW 1 million	415	413	211
Other contributions	KRW 1 million	5	11	12
Total annual contributions	KRW 1 million	420	424	223

1) Each membership fee or contribution is KRW 10 million or more

Environmental

ESG Data Reporting Scope and Notation Guidelines

- The scope of data encompasses the entire ESG performance of SK bioscience's domestic worksites (Headquarters, R&D Center, Andong L HOUSE). We have included data on a consolidated basis for those limited ESG activities of our subsidiaries IDT Biologika and TEW Service, which are included in our consolidated financial statements since 2024.
- The level of reporting varies depending on the availability of information and operational status, and where consolidated basis data is included, the indicators have been noted in a separate footnote.
- Quantitative data are presented as whole numbers. For figures below 10, values are displayed to the first decimal place. However, exceptions are applied in certain cases to ensure clarity and accuracy of information.
- When converting euros to Korean won, the average exchange rate from October 1 to December 31 (1 EUR = KRW 1,489.10) was applied.

Environmental Management

Violation of Environmental Laws (Consolidated)

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Category	Unit	2022	2023	2024			
				Total	SKBS	IDT	TEW
Violation of legal obligations/regulations	Cases	0	0	0	0	0	0
Fines related to the above	KRW	0	0	0	0	0	0
Lawsuits	Cases	0	0	0	0	0	0
Non-monetary sanctions	Cases	0	0	0	0	0	0

Violation of Environmental Laws (SKBS)

Category	Unit	2022	2023	2024
Violation of legal obligations/regulations	Cases	0	0	0
Fines related to the above	KRW	0	0	0
Lawsuits	Cases	0	0	0
Non-monetary sanctions	Cases	0	0	0

Environmental Investment (Consolidated)

Category	Unit	2022	2023	2024			
				Total	SKBS	IDT	TEW
Plan	KRW 100 million	2.5	3.4	5.59	5.2	0.21	0.18
Execution	KRW 100 million	2.5	3.4	5.58	5.2	0.20	0.18
Execution rate	%	100	100	99.8	100	96.4	100

Environmental Investment (SKBS)

Category	Unit	2022	2023	2024
Plan	KRW 100 million	2.5	3.4	5.2
Execution	KRW 100 million	2.5	3.4	5.2
Execution rate	%	100	100	100

Eco-friendly Purchasing

Category	Unit	2022	2023	2024
Total purchasing	KRW 1,000	352,840	705,757	447,154
Eco-friendly purchasing amount	KRW 1,000	37,404	163,527	29,257
Eco-friendly purchasing rate	%	10.6	23.2	6.5

Usage of Raw Materials

Category	Unit	2022	2023	2024
Usage of raw materials	Ton	292	193	249

Action on Climate Change

Scope 1&2 Emissions (Consolidated)

Category	Unit	2022	2023	2024[1)]			
				Total	SKBS	IDT	TEW
Total emissions (Scope 1 & 2)	tCO_2eq	18,493	19,616	25,413	19,197	2,733	3,484
Scope 1		5,173	5,863	10,421	5,344	2,225	2,852
Scope 2		13,320	13,753	14,993	13,853	508	632

1) Q4 2024 data for IDT and TEW are estimated due to limited data availability.

Scope 1&2 Emissions (SKBS)

Category		Unit	2022	2023	2024
Reduction target (Scope 1 & 2)		tCO_2eq	-	-	18,647
Total emissions (Scope 1 & 2)			18,493	19,616	19,197
Scope 1			5,173	5,863	5,344
Scope 2			13,320	13,753	13,853
Scope 1 & 2 intensity[1)]	Scope 1 & 2	tCO_2eq/KRW 100 million	4.0	5.2	12.3
	Scope 1	tCO_2eq/KRW 100 million	1.1	1.6	3.4
	Scope 2	tCO_2eq/KRW 100 million	2.9	3.7	8.9

1) GHG emissions intensity = Total GHG emissions / Revenue in reporting year

Scope 3 Emissions

Category	Unit	2023[1)]	2024
Total	tCO_2eq	21,766	32,902
(C1) Purchased goods and services		7,086	19,488[2)]
(C2) Capital goods		142	401
(C3) Fuel- and energy-related activities		8	7
(C4) Upstream transportation and distribution		1,300	1,574
(C5) Waste generated in operations		698	656
(C6) Business travel		573	794
(C7) Employee commuting		997	1,012
(C8) Upstream leased assets		-	-
(C9) Downstream transportation and distribution		1,002	1,198
(C10) Processing of sold products		-	-
(C11) Use of sold products[1)]		2,436	14[2)]
(C12) End-of-life treatment of sold products		7,524	7,758
(C13) Downstream leased assets		-	-
(C14) Franchises		-	-
(C15) Investments		-	-

1) Previously disclosed data revised due to a change in the calculation methodology
2) Significant variation in data due to a change in the calculation methodology

Energy Consumption (Consolidated)

Category		Unit	2022	2023	2024[2]			
					Total	SKBS	IDT	TEW
Total energy consumption		TJ	384	401	515	396	79.4	40.2
Non-renewable energy cosumption[1]		TJ	384	401	495	396	62.6	36.5
Renewable energy consumption		TJ	0.0	0.0	20.6	0.0	16.8	3.8
Direct	LNG	TJ	99	114	186	101	51.5	33.6
	Gasoline		2.1	1.5	3.3	3.0	0.2	0.0
	Diesel		3.0	0.0	0.6	0.1	0.0	0.5
	LPG		0.2	0.2	0.0	0.0	0.0	0.0
Indirect	Electricity		273	279	297	283.7	10.8	2.4
	Steam		6.7	5.9	7.6	7.6	-	-
Renewable energy	Solar energy, Green electricity		0.0	0.0	20.6	0.0	16.8	3.8

1) Non-renewable energy which is not based on renewable energy sources such as solar power, wind power, etc.
2) Q4 2024 data for IDT and TEW are estimated due to limited data availability.

Energy Consumption (SKBS)

Category		Unit	2022	2023	2024
Target of total energy consumption		TJ	333	395	417
Total energy consumption		TJ	384	401	396
Non-renewable energy cosumption[1)]		TJ	384	401	396
Renewable energy consumption		TJ	0.0	0.0	0.0
Energy intensity[2)]		TJ/KRW 100 million	0.08	0.11	0.25
Direct	LNG	TJ	99	114	101
	Gasoline		2.1	1.5	3.0
	Diesel		3.0	0.0	0.1
	LPG		0.2	0.2	0.0
Indirect	Electricity		273	279	284
	Steam		6.7	5.9	7.6

1) Non-renewable energy which is not based on renewable energy sources such as solar power, wind power, etc.
2) Energy intensity = Total energy consumption / Revenue in reporting year

Environmental Impacts Management

Waste Disposal (Consolidated)

Category		Unit	2022	2023	2024[1)]			
					Total	SKBS	IDT	TEW
Total waste disposal		Ton	441	423	687	432	254	0.2
Total recycling		Ton	190	177	266	170	95.6	0.1
Total recycling rate		%	43.1	41.8	38.7	39.4	37.6	42.4
Specified/Designated waste	Incineration	Ton	68.7	76.0	83.6	78.0	5.6	0.0
	Recycling / Neutralization		7.0	6.0	28.8	7.0	21.8	0.0
	Landfill		0.0	0.0	7.3	0.0	7.3	0.0
General waste	Incineration		183	168	293	183	110	0.1
	Landfill		0.0	0.0	36.2	0.0	36.2	0.0
	Recycling / Neutralization		183	173	239	165	73.9	0.1

1) Q4 2024 data for IDT and TEW are estimated due to limited data availability.

Waste Disposal[1] (SKBS)

Category		Unit	2022	2023	2024
Target amount of total waste disposal		Ton	331	556	435
Total waste disposal		Ton	441	423	432
Total recycling		Ton	190	177	170
Total recycling rate		%	43.1	41.8	39.4
Specified / Designated waste	Incineration (consignment)	Ton	68.7	76.0	78.0
	Neutralization (consignment)		0.0	1.0	1.4
	Landfill		0.0	0.0	0.0
	Recycling		7.0	5.0	5.6
General waste	Incineration (consignment)		183	168	183
	Landfill		0.0	0.0	0.0
	Recycling		183	173	165

1) HQ, R&D Center, L HOUSE : entirely consigned

Emission of Hazardous Chemicals (Consolidated)

-

Category	Unit	2022	2023	2024		
				Total	SKBS	IDT
Total emissions	Ton	4.3	0.0	0.3	0.2	0.02

Emission of Hazardous Chemicals (SKBS)

-

Category		Unit	2022	2023	2024
L HOUSE	Total emissions	Ton	4.3	0.0[1)]	0.2

1) Reduction in emissions due to absence of laboratory chemical wastes emission

Concentration & Emissions of Air Pollutants

-

Category			Unit	2022	2023	2024
L HOUSE	NOx	Concentration	ppm	38.0	35.0	40.7
		Emissions	Ton/year	8.3	9.5	8.5
		Intensity[1)]	Ton/KRW 100 billion	1.8	2.6	5.5
	SOx	Concentration	ppm	1.7	0.0	0.0
		Emissions	Ton/year	0.0	0.0	0.0
		Intensity[1)]	Ton/KRW 100 billion	0.0	0.0	0.0
	Dust	Concentration	ppm	4.0	0.6	0.6
		Emissions	Ton/year	0.06	0.06	0.06
		Intensity[1)]	Ton/KRW 100 billion	0.01	0.02	0.04

1) Intensity = Each air pollutant emissions / Revenue in reporting year

Zero-emission Vehicle Status (Consolidated)

Category	Unit	2022	2023	2024			
				Total	SKBS	IDT	TEW
Number of zero-emission vehicles	No.	3	3	32	6	21	5
Total number of vehicles owned	No.	39	42	142	50	83	9
Percentage of zero-emission vehicles	%	7.7	7.1	22.5	12.0	25.3	55.6

Zero-emission Vehicle Status (SKBS)

Category	Unit	2022	2023	2024
Number of zero-emission vehicles	No.	3	3	6
Total number of vehicles owned	No.	39	42	50
Percentage of zero-emission vehicles	%	7.7	7.1	12.0

Water Withdrawal & Consumption (Consolidated)

Category	Unit	2022	2023	2024[1)]			
				Total	SKBS	IDT	TEW
Municipal water withdrawal	Ton	166,261	192,864	181,417	181,417	0.0	0.0
Groundwater withdrawal		599	741	43,500	787	27,013	15,700
Total water withdrawal		166,860	193,605	224,918	182,205	27,013	15,700
Water consumption		58,925	63,339	91,525	74,334	8,104	9,086
Wastewater discharge		107,935	130,266	133,393	107,870	18,909	6,614

1) Q4 2024 data for IDT and TEW are estimated due to limited data availability.

Water Withdrawal & Consumption (SKBS)

Category		Unit	2022	2023	2024
Total	Water consumption target	Ton	-	-	66,506
	Total water consumption		58,925	63,339	74,334
	Wastewater discharge		107,935	130,266	107,870
	Total water withdrawal		166,860	193,605	182,205
	Municipal water withdrawal		166,261	192,864	181,417
	Groundwater withdrawal		599	741	787
HQ and R&D Center	Municipal water withdrawal	Ton	21,779	22,081	25,888
	Groundwater withdrawal		599	741	787
	Total water withdrawal		22,378	22,822	26,676
	Total water consumption		14,389	14,098	21,631
	Wastewater discharge		7,989	8,724	5,044
	Data coverage	%	100	100	100
L HOUSE	Municipal water withdrawal	Ton	144,482	170,783	155,529
	Groundwater withdrawal		0.0	0.0	0.0
	Total water withdrawal		144,482	170,783	155,529
	Total water consumption		44,536	49,241	52,703
	Wastewater discharge		99,946	121,542	102,826
	Data coverage	%	100	100	100

Water Reuse

Category		Unit	2022	2023	2024
Total	Total water reused	Ton	40,324	39,812	40,089
	Percentage of water reused[1)]	%	68.4	62.9	53.9
HQ and R&D Center	Total water reused[2)]	Ton	5,412	4,772	5,049
	Percentage of water reused[1)]	%	37.6	33.9	23.3
L HOUSE	Total water reused	Ton	34,912	35,040	35,040
	Percentage of water reused[1)]	%	78.4	71.2	66.5

1) Due to a change in calculation standards, 2022 and 2023 data have been revised. The percentage of reused water was calculated using the formula: (Total Reused Water / Total water consumption) × 100, based on flow meter readings under the assumption of continuous operation (24 hours/day, 365 days/year).
2) Calculated based on SK bioscience's floor area ratio in the HQ and R&D Center buildings

Water Pollutants Emissions (Consolidated)

Category	Unit	2022	2023	2024			
				Total	SKBS	IDT	TEW
BOD concentration	mg/L (ppm)	201	99.4	-	105	3.0	3.0
BOD emissions	Ton	20.1	12.1	10.8	10.7	0.1	0.0
SS concentration	mg/L (ppm)	59.8	41.4	-	37.5	5.2	5.2
SS emissions	Ton	6.0	5.0	4.0	3.9	0.1	0.0
T-N concentration	mg/L (ppm)	20.7	12.5	-	15.6	13.3	13.3
T-N emissions	Ton	2.0	2.0	2.1	1.6	0.4	0.1
T-P concentration	mg/L (ppm)	4.3	3.2	-	3.7	0.3	0.3
T-P emissions	Ton	0.0	0.0	0.4	0.4	0.0	0.0
TOC emissions	Ton	15.7	9.4	4.0	3.8	0.1	0.0

Water Pollutants Emissions (SKBS)

Category	Unit	2022	2023	2024
BOD concentration	mg/L (ppm)	201	99.4	105
BOD emissions	Ton	20.1	12.1	10.7
BOD intensity[1)]	Ton/KRW 100 billion	4.4	3.3	6.9
SS concentration	mg/L (ppm)	59.8	41.4	37.5
SS emissions	Ton	6.0	5.0	3.9
SS intensity[1)]	Ton/KRW 100 billion	1.3	1.4	2.5
T-N concentration	mg/L (ppm)	20.7	12.5	15.6
T-N emissions	Ton	2.0	2.0	1.6
T-N intensity[1)]	Ton/KRW 100 billion	0.4	0.5	1.0
T-P concentration	mg/L (ppm)	4.3	3.2	3.7
T-P emissions	Ton	0.0	0.0	0.4
T-P intensity[1)]	Ton/KRW 100 billion	0.0	0.0	0.2
COD concentration	mg/L (ppm)	104	58.2	66.5
COD emissions	Ton	10.4	7.1	6.9
TOC emissions[2)]	Ton	15.7	9.4	3.8
TOC intensity[1)]	Ton/KRW 100 billion	3.4	2.5	2.5

1) Intensity = Emissions of each water pollutant / Revenue in reporting year
2) While TOC emissions have not been measured separately, they were estimated using a conversion factor derived from 2025 measurement data.

Social

ESG Data Reporting Scope and Notation Guidelines

- The scope of data encompasses the entire ESG performance of SK bioscience's domestic worksites (Headquarters, R&D Center, Andong L HOUSE). We have included data on a consolidated basis for those limited ESG activities of our subsidiaries IDT Biologika and TEW Service, which are included in our consolidated financial statements since 2024.
- The level of reporting varies depending on the availability of information and operational status, and where consolidated basis data is included, the indicators have been noted in a separate footnote.
- When converting euros to Korean won, the average exchange rate from October 1 to December 31 (1 EUR = KRW 1,489.10) was applied.

Employee Happiness

Employee Status (Consolidated)

Category		Unit	2022	2023	2024			
					Total	SKBS	IDT	TEW
Total number of employees		Persons	1,079	1,101	2,785	1,028	1,656	101
By age	Under 30	Persons	464	349	518	249	252	17
	30s and under 50	Persons	565	697	1,788	731	1,002	55
	50 and above	Persons	50	55	479	48	402	29
By site	HQ[1)]	Persons	570	651	2,357	619	1,637	101
	Worksites[2)]	Persons	509	450	428	409	19	0
Managerial position	Supervisors/ Team Leaders	Persons	86	92	298	85	199	14
	Executives	Persons	38	38	50	37	12	1
	Sub-total	Persons	124	130	348	122	211	15
By employment	Regular worker (male)	Persons	541	591	1,245	558	614	73
	Regular worker (female)	Persons	359	380	1,148	371	766	11
	Regular worker (sub-total)	Persons	900	971	2,393	929	1,380	84
	Contract worker (male)	Persons	119	78	215	57	143	15
	Contract worker (female)	Persons	60	52	177	42	133	2
	Contract worker (sub-total)	Persons	179	130	392	99	276	17
By gender	Male	Persons	660	669	1,460	615	757	88
	Female	Persons	419	432	1,325	413	899	13

Category		Unit	2022	2023	2024			
					Total	SKBS	IDT	TEW
By occupation	Technical/ Production/ Maintenance	Persons	483	416	1,357	382	878	97
	Office job	Persons	192	206	341	181	160	0
	Research	Persons	280	336	395	308	87	0
	Sales	Persons	39	47	84	67	17	0
	Other jobs	Persons	46	58	571	53	514	4

1) SK bioscience (Pangyo), IDT Biologika & TEW Service (Dessau-Rosslau, Germany)
2) SK bioscience (Andong L HOUSE), IDT Biologika (Magdeburg, Germany)

Employee Status (SKBS)

Category		Unit	2022	2023	2024
Total number of employees[1]		Persons	1,079	1,101	1,028
By age	Under 30	Persons	464	349	249
	30s and under 50	Persons	565	697	731
	50 and above	Persons	50	55	48
By site	HQ	Persons	570	651	619
	L HOUSE	Persons	509	450	409
Managerial position	Supervisors/ Team Leaders	Persons	86	92	85
	Executives	Persons	38	38	37
	Sub-total	Persons	124	130	122
By employment	Regular worker (male)	Persons	541	591	558
	Regular worker (female)	Persons	359	380	371
	Regular worker (sub-total)	Persons	900	971	929
	Contract worker (male)	Persons	119	78	57
	Contract worker (female)	Persons	60	52	42
	Contract worker (sub-total)	Persons	179	130	99
By gender	Male	Persons	660	669	615
	Female	Persons	419	432	413
By occupation[2]	Technical/ Production/ Maintenance	Persons	483	416	382
	Office job	Persons	192	206	181
	Research	Persons	280	336	308
	Sales	Persons	39	47	67
	Other jobs	Persons	46	58	53

1) The difference from the figure in the business report is due to the inclusion of standing directors.
2) Calculated except executives

New Hires (Consolidated)

Category		Unit	2022	2023	2024			
					Total	SKBS	IDT	TEW
Total		Persons	249	158	206	79	119	9
By age	Under 30	Persons	80	46	77	28	46	3
	30s and under 50	Persons	158	110	104	45	55	5
	50 and above	Persons	11	2	25	6	18	1
By gender	Male	Persons	130	103	114	47	59	8
	Female	Persons	119	55	92	32	60	1
By site	HQ[1)]	Persons	187	141	176	49	119	9
	Worksites[2)]	Persons	62	17	30	30	0	0

1) SK bioscience (Pangyo), IDT Biologika & TEW Service (Dessau-Rosslau, Germany)
2) SK bioscience (Andong L HOUSE), IDT Biologika (Magdeburg, Germany)

New Hires (SKBS)

Category		Unit	2022	2023	2024
	Total[1)]	Persons	249	158	79
By age[2)]	Under 30	Persons	80	46	28
	30s and under 50	Persons	158	110	45
	50 and above	Persons	11	2	6
By gender	Male	Persons	130	103	47
	Female	Persons	119	55	32
By site	HQ	Persons	187	141	49
	L HOUSE	Persons	62	17	30

1) Includes executives, full-time employees, and (general) contractors (excluding advisors, outside directors, and short-term contractors)
1) Age classification is based on international (full) age at the time of employment.

R&D Personnel

Category	Unit	2022	2023	2024
PhD	Persons	38	43	39
Master	Persons	180	201	204
Bachelor	Persons	71	75	70
Total	Persons	289	319	313

Employee Diversity (Consolidated)

Category		Unit	2022	2023	2024			
					Total	SKBS	IDT	TEW
Female employees	Number	Persons	419	432	1,325	413	899	13
	Percentage	%	38.1	38.6	47.6	40.2	54.3	12.9
Female managers	Middle managers	Persons	19	17	108	20	88	0
	Executives	Persons	8	7	12	6	5	1
	Percentage	%	21.8	18.5	34.5	21.3	44.1	6.7
Foreigners	Number	Persons	8	13	64	5	58	1
	Percentage	%	0.7	1.2	2.3	0.5	3.5	1.0
Employees with disabilities	Number	Persons	36	36	77	34	37	6
	Percentage	%	3.3	3.3	2.8	3.3	2.2	5.9

Employee Diversity (SKBS)

Category		Unit	2022	2023	2024
Female employees	Number	Persons	419	432	413
	Percentage	%	38.1	38.6	40.2
Female managers	Middle managers	Persons	19	17	20
	Executives	Persons	8	7	6
	Percentage	%	21.8	18.5	21.3
Female managers by division	STEM positions	Persons	12	10	12
	Percentage in STEM positions	%	31.6	31.3	32.4
	Revenue-generating divisions/positions	Persons	27	20	14
	Percentage in revenue-generating divisions/positions	%	38.6	27.8	20.0
Foreigners	Number	Persons	8	13	5
	Percentage	%	0.7	1.2	0.5
Employees with disabilities	Number	Persons	36	36	34
	Percentage	%	3.3	3.3	3.3
Veterans	Number	Persons	1	1	1
	Percentage	%	0.1	0.1	0.1

Employee Training

Category			Unit	2022	2023	2024
Training cost[1]		Average cost per person	KRW 1 million	2.0	2.7	2.4
		Total	KRW 1 million	2,167	2,920	2,440
Training hours[1]		Average hours per person[2]	Hours	43	70	59
		Total	Hours	44,283	68,694	63,561
By gender		Male	Hours	39.3	43.3	54.9
		Female	Hours	46.0	57.0	55.7
By occupation		Technical/ Production/ Maintenance	Hours	64.3	54.3	51.2
		Office job/ Research/ Sales	Hours	25.4	44.0	59.6
Key training program performance	Pharmacovigilance[3]	Total	Hours	482	687	629
		Average hours per person	Hours	0.4	0.6	0.6
	Human rights	Total	Hours	2,042	2,076	2,056
		Average hours per person	Hours	2	2	2
	Responsible marketing training[4]	Total	Hours	96	113	125
		Average hours per person	Hours	2	2	2

1) Figures for 2022 and 2023 have been updated due to changes in the calculation standards.
2) The denominator of the average training hours per person is the actual number of people trained.
3) All employees are eligible and are encouraged to complete the training, with the goal of achieving 100% completion every year.
4) Contract workers with contracts less than 6 months, outside directors, and advisors who face difficulty in completing training due to the nature of their work, as well as employees on maternity/parental leave, are excluded from regular training.

Employee Satisfaction

Category	Unit	2022	2023	2024
Participation rate	%	83.7	63.8	68.0
Participant	Persons	582	493	600
Total score	Score (0-100)	67.7	64.5	65.0

Employee Performance Evaluation (Consolidated)

Category	Unit	2022	2023	2024			
				Total	SKBS	IDT	TEW
Male	%	93.6	93.6	80.2	96.9	68.0	68.0
Female	%	95.6	93.2	75.9	93.3	68.0	68.0

Employee Performance Evaluation[1)] (SKBS)

Category		Unit	2022	2023	2024
By gender	Male	%	93.6	93.6	96.9
	Female	%	95.6	93.2	93.3
By position	G1	%	92.9	94.1	97.1
	G2 & G3	%	93.5	90.8	92.3
	G & Full-time non-regular staff	%	98.0	96.9	98.1

1) Performance evaluations are conducted for all employees except those hired after July 1st of each year or those who have been on a leave of absence for more than six months.

Compensation System

Category		Unit	2022	2023	2024
Pay ratio by gender[1)]	Executives	%	110	99	107
	Managerial positions	%	99	103	101
	Non-managerial positions	%	100	102	102
	Total	%	90	88	89
Employee Stock Ownership Plan (ESOP) status	Depository		Korea Securities Finance Corporation	Korea Securities Finance Corporation	Korea Securities Finance Corporation
	Number of shares owned	Share	623,603	411,390	341,761
	Share ratio	%	0.8	0.5	0.4
Number of people enrolled in pension support	Defined Benefit (DB)	Persons	713	1,072	768
	Funded amount (DB)	KRW 100 million	208	396	668
	Defined Contribution (DC)	Persons	2	5	8

1) Target: Incumbents at the end of the year (including registered executives)

Expenses for Fringe Benefits (Consolidated)

Category	Unit	2022	2023	2024			
				Total	SKBS	IDT	TEW
Expenses for fringe benefits per person	KRW 1 million	4.8	5.6	-	4.9	-	-
Total expenses for fringe benefits	KRW 1 million	5,067	6,121	15,595	5,354	9,390	851

Expenses for Fringe Benefits (SKBS)

Category	Unit	2022	2023	2024
Expenses for fringe benefits per person	KRW 1 million	4.8	5.6	4.9
Total expenses for fringe benefits	KRW 1 million	5,067	6,121	5,354

Childcare Leave (Consolidated)

Category	Unit	2022	2023	2024			
				Total	SKBS	IDT	TEW
Male	Persons	7	8	14	11	3	0
Female	Persons	5	18	56	27	29	0
Total	Persons	12	26	70	38	32	0

Childcare Leave (SKBS)

Category		Unit	2022	2023	2024
Targets[1)]	Male	Persons	130	140	137
	Female	Persons	47	51	69
	Total	Persons	177	191	206
Users	Male	Persons	7	8	11
	Female	Persons	5	18	27
	Total	Persons	12	26	38
Employees who have returned after childcare leave	Male	Persons	7	7	8
	Female	Persons	4	7	24
	Total	Persons	11	14	32
Employees retained over 1 year after return[2)]	Male	Persons	2[3)]	7[3)]	7
	Female	Persons	6	4	7
	Total	Persons	8	11	14
Return-to-work rate	Male	%	100	87.5	72.7
	Female	%	80.0	38.9	88.9
Retention rate after return[4)]	Male	%	28.6	100.0	87.5
	Female	%	150.0	57.1	29.2
Average days of use		Days	238	228	221

1) Pregnant female workers, or male/female employees who have a child aged not more than 8 years or a child in the 2nd or lower grade of an elementary school
2) Includes employees who returned from leave in the previous year
3) Figures for 2022 and 2023 have been updated due to changes in the calculation standards.
4) (Employees who continued to work more than 12 months after return / Employees who returned from leave) × 100

Employee Turnover Status

Category		Unit	2022	2023	2024
Total number of voluntary turnover		Persons	64	71	110
Voluntary turnover rate[1)]		%	5.9	6.4	10.7
By age	Under 30	Persons	25	23	28
	30s and under 50	Persons	39	46	80
	50 and above	Persons	0	2	2
By gender	Male	Persons	35	44	72
	Female	Persons	29	27	38
By position	Executives	Persons	0	0	0
	Managerial position	Persons	2	7	10
	Non-managerial position	Persons	62	64	100
By site	HQ	Persons	46	43	64
	L HOUSE	Persons	18	28	46

1) Voluntary turnover rate (%) = (Voluntary leavers / Total employees) × 100

Labor Practices

Category	Unit	2022	2023	2024
Number of employees joining the labor union	Persons	141	139	139
Number of employees entitled to collective bargaining	Persons	141	139	139
Percentage of employees covered by collective bargaining agreements	%	13.1	12.6	13.5

※ G-positions are subject to collective bargaining agreements, and other positions are not subject to labor unions, but their working conditions are discussed and decided by the employment rules, Labor and Management Consultative Body (Our Happy Bioscience, OHB), and Warm-hearted Professionals Talk Talk.

Safety·Health

Safety Training (Consolidated)

Category	Unit	2022	2023	2024			
				Total	SKBS	IDT	TEW
Training hours per person	Hours	21	20	12	20	7	15
Total training hours	Hours	19,869	20,343	33,454	20,340	11,599	1,515
Employees who received training	Persons	945	1,021	2,786	1,028	1,657	101

Safety Training (SKBS)

Category		Unit	2022	2023	2024
Training hours	Training hours per person (HQ: Non-office job)	Hours	24	24	24
	Training hours per person (HQ : Office job)	Hours	12	12	12
	Training hours per person (L HOUSE)	Hours	24	24	24
	Total training hours	Hours	19,869	20,343	20,340
Employees who received training		Persons	945	1,021	1,028

Industrial Accident (Consolidated)

Category		Unit	2022	2023	2024			
					Total	SKBS	IDT	TEW
Occupational injuries	Occupational injury	Cases	0	0	23	1	20	2
	Lost Time Injury Rate (LTIR)	Cases/200,000 working hours	0	0	0.8	0.1	1.2	2.2
	Total working hours	Hours	2,140,736	2,186,498	5,634,994	2,179,898	3,258,812	196,284
Work-related fatalities	Employees	Cases	0	0	0	0	0	0
	Business partners	Cases	0	0	0	0	0	0
	Fatality rate	%	0	0	0	0	0	0

Industrial Accident (SKBS)

Category		Unit	2022	2023	2024
Occupational injuries	Occupational injury[1)]	Cases	0	0	1
	Lost Time Injury Rate (LTIR)[2)]	Cases/200,000 working hours	0	0	0.1
	Total working hours	Hours	2,140,736	2,186,498	2,179,898
Work-related fatalities	Employees	Cases	0	0	0
	Business partners	Cases	0	0	0
	Fatality rate	%	0	0	0

1) Aggregated based on the standards of the Korea Occupational Safety and Health Agency (KOSHA)
2) Refers to occupational injuries involving the Company's own employees

Win-win Management

Business Partners

Category		Unit	2022	2023	2024
Business partners	Major partners[1)]	No.	16	22	33
	Other partners	No.	513	337	402
	Total	No.	529	359	435

1) Business partners with an annual transaction volume of KRW 1 billion or more

Corporate Philanthropy

Category		Unit	2022	2023	2024
Corporate philanthropic activities	Participation per person	Hours	2.4	2.2	2.4
	Annual participation	Persons	429	880	659
	Total participation	Hours	1,036	1,951	1,581
Total social contribution[1)]		KRW 1 million	5,162	3,498	3,995
Social contribution as a percentage of revenue		%	1.1	0.9	1.9

1) Calculated as the total amount of corporate social contribution expenditure including donations, funds, and in-kind donations

Product Safety & Quality

Quality Inspection (Consolidated)

Category	Unit	2022	2023	2024		
				Total	SKBS	IDT
Due diligence targeting client company	Cases	4	1	1	1	0
Quality inspection targeting health authorities	Cases	7	2	3	0	3

Quality Inspection (SKBS)

Category	Unit	2022	2023	2024
Due diligence targeting client company	Cases	4	1	1
Quality inspection targeting health authorities	Cases	7	2	0
Due diligence targeting business partners	Cases	53	80	25
Total	Cases	64	83	26

Drug Safety (Consolidated)

Category	Unit	2022	2023	2024		
				Total	SKBS	IDT
Recalls	Cases	0	0	0	0	0
Total units of recalled products	No.	0	0	0	0	0

Drug Safety (SKBS)

Category	Unit	2022	2023	2023
Recalls	Cases	0	0	0
Total units of recalled products	No.	0	0	0
Total amount of products approved for recovery, reuse, or disposal	Ton	0	0	0

Responsible Marketing

Category	Unit	2022	2023	2024
Warnings due to violations of marketing laws	Cases	0	0	0
Penalties due to violations of marketing laws	Cases	0	0	0
Violation of marketing self-regulation	Cases	0	0	0
Fines due to marketing law violations	KRW	0	0	0

Governance

ESG Data Reporting Scope and Notation Guidelines

- The scope of data encompasses the entire ESG performance of SK bioscience's domestic worksites (Headquarters, R&D Center, Andong L HOUSE). We have included data on a consolidated basis for those limited ESG activities of our subsidiaries IDT Biologika and TEW Service, which are included in our consolidated financial statements since 2024.
- The level of reporting varies depending on the availability of information and operational status, and where consolidated basis data is included, the indicators have been noted in a separate footnote.

Board of Directors

Board composition

Category		Unit	2022	2023	2024
Board composition[1)]	Executive directors (standing)	Persons	2	2	2
	Outside directors	Persons	4	3	4
	Other non-executive directors	Persons	1	1	1
	Total	Persons	7	6	7
	Percentage of outside directors	%	57.1	50.0	57.1
Diversity	Directors aged 30-50	Persons	0	0	0
	Directors over 50	Persons	7	6	7
	Male	Persons	6	6	7
	Female	Persons	1	0	0
Expertise of directors	Members with accounting/financial expertise within the Audit Committee[2)]	Persons	1	1	1
	Outside directors/other non-executive directors with industry experience	Persons	1	1	2
Effectiveness of board[3)]	Average attendance rate of outside directors	%	98.0	100	99.1
	Minimum attendance rate	%	80.0	92.8	85.7
	Average attendance rate	%	96.0	98.8	97.5

1) Based on directors registered as of the end of reporting year
2) Number of directors with CFA, CPA, or accounting/finance background
3) Reflects the attendance of Mi-jin Jo, the former outside director (January 1, 2023 - December 5, 2023) at the 2023 Board meetings

Board Activities

Category		Unit	2022	2023	2024
Board meetings	Board meetings held	No.	15	14	17
	ESG-related issues reviewed	No.	10[1)]	3[1)]	4
Outside directors' activities	Agenda items with objections or revision proposals	No.	1	0	0
Subcommittee meetings	ESG Committee	No.	6	8	7
	Nomination and Compensation Committee	No.	6	7	4
	Outside Director Candidate Recommendation Committee	No.	0	2	3
	Audit Committee	No.	10	8	6
	Internal Transactions Committee	No.	3	3	3

1) Revised to correct a clerical error

Nomination and Compensation Committee

Category	Unit	2022	2023	2024
Total number of members	Persons	3	3	3
Outside directors	Persons	2	2	2
Attendance rate	%	100	100	100

Outside Director Candidate Recommendation Committee

Category	Unit	2022	2023	2024
Total number of members	Persons	3	3	3
Outside directors	Persons	3	3	3
Attendance rate	%	0[1)]	100	100

1) Attendance rate was 0 since there was no meeting for the Committee in 2022.

Audit Committee

Category	Unit	2022	2023	2024
Total number of members	Persons	3	3	3
Outside directors	Persons	3	3	3
Attendance rate	%	100	100	100

Remuneration for CEO & Employee

Category		Unit	2022	2023	2024
CEO remuneration	Total annual compensation	KRW 1 million	7,244	5,282	703
	Year-over-year change	%	624	-27	-87
	Ratio of CEO compensation to total annual compensation	%	835	5.8	0.9
	Change in ratio of CEO compensation to total annual compensation	%	607	-32	-84
Employee remuneration	Total employees compensation (excluding CEO or equivalent positions)	KRW 1 million	81	86	80
	Change in compensation of all employees (excluding CEO or equivalent)	%	19	6	-7

Remuneration for Directors

Category		Unit	2022	2023	2024
Average remuneration per person	Total[1)]	KRW 1 million	2,570	1,555	293
	Executive directors	KRW 1 million	7,245	5,234	812
	Outside directors	KRW 1 million	89	105	106
	Other non-executive directors	KRW 1 million	3,143[2)]	-	-
Total remuneration	Total	KRW 1 million	17,987	10,888	2,051
	Executive directors	KRW 1 million	14,490	10,468	1,625
	Outside directors	KRW 1 million	354	420	426
	Other non-executive directors	KRW 1 million	3,143	-[3)]	-[3)]

※ Major remuneration items include salary, bonuses, and gains from stock option exercises.

1) Total payout of average remuneration per person = (total remuneration / total numbers of directors)

2) Gains from exercising stock options

3) No remuneration received

Business Ethics · Compliance

Business Ethics Training

Category		Unit	2022	2023	2024
Training completion rate		%	99	99	99
Workshop	Training hours per employee	Hours	1	1	1
	Participants	Persons	861	807	896
Online training	Training hours per employee	Hours	1	1	1
	Participants	Persons	918	941	978

Violation of Laws/Regulations

Category		Unit	2022	2023	2024
Clinical trials in developing countries	Number of violations	Cases	0	0	0
	Fine	KRW 1,000	0	0	0
Unfair business practices prohibited by competition and antitrust laws	Number of violations	Cases	0	0	0
	Fine	KRW 1,000	0	0	0
Customer information protection	Number of violations	Cases	0	1[1)]	0
	Fine	KRW 1,000	0	1,000[1)]	0
Domestic marketing activities	Number of violations	Cases	0	0	0
	Fine	KRW 1,000	0	0	0
Regulations regarding counterfeit products	Number of violations	Cases	0	0	0
	Fine	KRW 1,000	0	0	0
Provision of product information	Number of violations	Cases	0	0	0
	Fine	KRW 1,000	0	0	0
Product/service safety and health impacts	Number of warnings received	Cases	0	0	0
	Number of fines or penalties received	Cases	0	0	0
	Number of self-regulatory violations	Cases	0	0	0

1) In 2023, we were subject to a fine for violation of the Personal Information Protection Act, which was omitted from the ESG Report at the time. This figure (as of 2024) reflects the correction, and we have improved the related management system to enhance the reliability and transparency of information.

Ethics Report / Consultation / Violation / Discipline (Consolidated)

	Category	Unit	2022	2023	2024			
					Total	SKBS	IDT	TEW
Status of ethical reports	Violations filed in reporting channels	Cases	19	13	18	15	3	0
	Resolved cases out of total violations reported	Cases	19	13	18	15	3	0
	Percentage of resolved cases out of total reported	%	100	100	100	100	100	0
Types of ethical violations	Unfair practices and abuse of power against business partners	Cases	0	0	0	0	0	0
	Lack of respect among employees	Cases	5	3	3	3	0	0
	Discrimination or harassment	Cases	1	0	1	1	0	0
	Improper business practices	Cases	10	8	11	8	3	0
	Conflict of interest	Cases	2	1	0	0	0	0
	Undermining of social values	Cases	1	0	1	1	0	0
	Compliance violations	Cases	0	1	2	2	0	0
Ethics-related disciplinary actions	Dismissal	Cases	0	0	1	1	0	0
	Suspension	Cases	6	2	1	1	0	0
	Salary reduction	Cases	11	1	4	4	0	0
	Reprimand	Cases	9	1	2	2	0	0
	Warning (verbal/written)	Cases	14	3	14	14	0	0
	Others (unverifiable, dismissed)	Cases	0	0	2	2	0	0

Ethics Report / Consultation / Violation / Discipline (SKBS)

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	Category	Unit	2022	2023	2024
Status of ethical reports	Violations filed in reporting channels	Cases	19	13	15
	Resolved cases out of total violations reported	Cases	19	13	15
	Percentage of resolved cases out of total reported	%	100	100	100
Types of ethical violations	Unfair practices and abuse of power against business partners	Cases	0	0	0
	Lack of respect among employees	Cases	5	3	3
	Discrimination or harassment	Cases	1	0	1
	Improper business practices	Cases	10	8	8
	Conflict of interest	Cases	2	1	0
	Undermining of social values	Cases	1	0	1
	Compliance violations	Cases	0	1	2
Ethics-related disciplinary actions	Dismissal	Cases	0	0	1
	Suspension	Cases	6	2	1
	Salary reduction	Cases	11	1	4
	Reprimand	Cases	9	1	2
	Warning (verbal/written)	Cases	14	3	14
	Others (unverifiable, dismissed)	Cases	0	0	2

Risk Management

Information Security

Category		Unit	2022	2023	2024
Information security training	Participants (Employees)	Persons	895	1,020	1,034
	Participants (Employees of business partners)	Persons	66	106	109
	Training hours per person	Hours	2	2	1
Investment in information security	Share of information security investment in total IT budget	%	17.9	16.6	17.8
	Amount invested in information security	KRW 1 million	2,807	2,789	3,441
	Total IT budget	KRW 1 million	15,721	17,540	19,336
Customer data protection	Violations of customers data privacy	Cases	0	1	0
	Complaints filed by external parties/whistleblowers and validated by institutions	Cases	0	0	0
	Complaints filed by data regulatory bodies/authorities	Cases	0	0	0
	Total amount of fines or penalties related to data security	KRW 1 million	0	1	0
	Number of customers affected by data breaches	Persons	0	0	0

Ownership Structure & Shareholders

Share Structure & Annual General Meetings

Category		Unit	2022	2023	2024
Issued stocks	Total number of issued stocks	Shares	76,784,046	76,827,750	78,347,293
	Number of voting stocks	Shares	76,784,046	76,827,750	78,347,293
	Number of non-voting stocks	Shares	0	0	-
General meeting	Date of advance notice of regular general meeting location and agenda	Days (before)	24	26	29

※ In accordance with Shareholder Proposal Rights (Article 363-2, and 542-6 of the Commercial Act), any shareholder who owns 3% of the total number of issued stocks entitled to vote, or who has held 1% or more of the total number of issued stocks for six months prior to the date of the annual general meeting, may propose certain matters in writing or electronically at least six(6) weeks before the date of the year that is equivalent to the date of the previous annual meeting of shareholders. The Board of Directors shall consider the shareholder proposal as an item for the purpose of the general meeting, unless the content of the shareholder proposal violates laws or regulations or the Articles of Incorporation or falls under the grounds for rejection set forth in Article 12 of the Enforcement Decree of the Commercial Act. If requested by the shareholder proponent, the main content of the proposal shall be reflected in the convening notice, or the shareholder shall be given an opportunity to explain the proposal at the general meeting of shareholders.



Reporting Framework

GRI - 2 General Disclosures

1. The organization and its reporting practices
2. Activities and workers
3. Governance
4. Strategy, policies and practices
5. Stakeholder engagement

GRI - 3 General Disclosures

1. Disclosures on Material Topics

GRI 200

201 : Economic Performance
203 : Indirect Economic Impacts M
205 : Anti-corruption M
206 : Anti-competitive Behavior M
207 : Tax

GRI 300

302 : Energy
303 : Water and Effluents M
304 : Biodiversity
305 : Emissions
306 : Waste
308 : Supplier Environmental Assessment

GRI 400

401 : Employment M
403 : Occupational Health and Safety
404 : Training and Education M
405 : Diversity and Equal Opportunity
406 : Non-discrimination
408 : Child Labor
413 : Local Communities
414 : Supplier Social Assessment
416 : Customer Health and Safety M
417 : Marketing and Labeling
418 : Customer Privacy

M : Material Topic

GRI Content Index

Statement of Use	SK bioscience has reported in accordance with the GRI Standards for the period from January 1st to December 31st, 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Currently not applicable

Universal Standards

GRI 2. General Disclosures

Disclosures	Disclosure Contents	Data Tables	Files	URLs	Business Cases
1. The organization and its reporting practices 2021					
2-2 Entities included in the organization's sustainability reporting	The scope of this report encompasses the entire ESG performance of SK bioscience's domestic worksites (HQ, R&D Center, Andong L HOUSE). Data on a consolidated basis for those limited ESG activities of SK bioscience's subsidiaries IDT Biologika (Germany, hereinafter 'IDT') and TEW Service (Germany, hereinafter 'TEW') are included since 2024, same as the consolidated financial statements. The level of reporting varies depending on the availability of information and operational status, and where consolidated basis data is included, the indicators have been noted in a separate marker.				
2-4 Restatements of information	This report contains corrections and supplements of some information disclosed in the previous reports (published in 2023 and 2024). Corrections are noted in texts or in separate footnotes at the bottom of the quantitative metrics tables, and will be reviewed and managed on an ongoing basis to ensure data accuracy and transparency. SK bioscience ESG Report 2024 ESG Data Library > Facts & Figures				

2. Activities and workers 2021

2-6
Activities, value chain and other business relationships

SK bioscience has established a higher level of competence and global partnerships in the vaccine field by leveraging its unique business capabilities across the entire value chain of the vaccine business, from R&D to production, distribution, and sales, including the in-house vaccine development, co-development and technology transfer, C(D)MO, domestic distribution, and sales. In doing so, we are diversifying our vaccine portfolio, securing new technologies such as mRNA, and collaborating with global initiatives to solidify the foundation for future growth.

R&D Investments

Category	Sub-category	Unit	2022	2023	2024
R&D investment	Investment cost	KRW 1 million	57,960	85,743	71,352
	R&D intensity[1)]	%	24.7	31.7	64.7
Achievement[2)]	Portfolio	No.	17	20	22
	Products under clinical trial	No.	5	5	5

1) R&D expenses (before grants)/sales
2) Revised to reflect discrepancies identified with figures reported in the business report

Intellectual Property Rights

Category	Sub-category	Detail	Unit	2022	2023	2024
Domestic	Patent	Application	No.	17	17	9
	Patent	Registration	No.	7	12	5
	Trademark	Application	No.	5	0	4
	Trademark	Registration	No.	0	10	6
Overseas	Patent	Application	No.	54	44[1)]	77
	Patent	Registration	No.	29	37[1)]	16
	Trademark	Application	No.	69[1)]	0	0
	Trademark	Registration	No.	56[1)]	9	4
Total	Patent	Application	No.	71	61	86
	Patent	Registration	No.	36	49	21
	Trademark	Application	No.	74	0	4
	Trademark	Registration	No.	56	19	10

1) Based on the number of applications and registrations available in the patent search system, the number has increased due to a time lag between actual applications/registrations and system updates.

ESG Data Library > Company Overview > Business Overview

3. Governance 2021

2-10
Nomination and selection of the highest governance body

Governance > Board of Directors > Composition & Operation of the Board > Composition & Principle of the Board > Board Diversity & Expertise

Outside Director Independence Guidelines

Outside Director Independence Guidelines

We seek to secure directors with appropriate ethics and sufficient qualifications as well as independent outside directors so that the Board of Directors can perform its unique role of checks and balances based on independent decision-making authority and continue efficient management activities centered on the Board of Directors.
Accordingly, we have established guidelines that apply the Commercial Act and other related laws and global standards to ensure the qualifications and practical independence required for directors to perform their duties.

- A person who is not disqualified as a director under the law
- A person who has no history of damaging corporate value or infringing upon shareholder rights
- Those who have had a board attendance rate of 75% or higher within the past 3 years
- A person who has not been an employee of the company or its affiliates (including non-profit corporations) within the past 5 years
- An employee or associate of an external audit firm (current or past) of a company or its affiliates who has performed audit or related work for less than 5 years
- Any individual or corporation (including law firms) that has had a significant transaction or partnership with the company (including the largest shareholder and affiliates) or has not been a full-time employee within the past 5 years
- A person whose independence as an outside director is not undermined due to a conflict of interest with the company within the past 3 years, such as having entered into an advisory contract for legal or management consulting, etc.

Board Diversity Guidelines

Board Diversity Guidelines

We strive to secure expertise and diversity in the composition of the Board of Directors so that the Board can make rational decisions while considering the perspectives of stakeholders and avoiding being biased toward a specific area.

1.
We select outside director candidates who meet the professional qualifications required for the position.
A. A person with experience and knowledge in various fields necessary to perform duties as a director.
B. Those with professional knowledge in various fields such as finance, economics, management, law, and accounting.
2.
We select outside director candidates who can secure diversity so that various perspectives and values can co-exist.
A. Reflecting the principle of equal opportunity for men and women to operate the Board based on diverse perspectives.
B. Considering the characteristics of Korean society, avoiding bias toward specific origins and considering diverse experiences and background.
C. Other diversity factors such as nationality, race, religion, and ethnicity are taken into consideration.

Background and Recommender for Directors Appointment

Background and Recommender for Directors Appointment

Category	Name	Recommender	Term of office	Expertise	Appointment Background
Executive Director	Jaeyong Ahn	Board of Directors	July 2018 ~ March 2027 (2 Terms)	Corporate Management	He served as the head of LS Strategic Planning Office and VAX Business Division at SK chemicals, and played a significant role in the growth of SK chemicals' Life Science Biz and SK bioscience. Based on his expertise and capabilities in the vaccine business, the Board recommended him as a director.
Executive Director	Hun Kim	Board of Directors	December 2018 ~ March 2027 (2 Terms)	Bio-industry	He served as the head of SK chemicals' Bio Office and CTO of the VAX Business Division, and is currently serving as the President of SK bioscience's Global Business Division. He played a significant role in the growth of SK chemicals' Life Science Business Division and SK bioscience, and the Board recommended him as his experience and capabilities would be of great help in executing the Company's new business in the future.

Outside Director	Ik-Hwan Kwon	Outside Director Candidate Recommendation Committee	March 2021 ~ March 2027 (1 Term)	Law	He is expected to contribute to the growth and development of the Company by utilizing his experience and professional knowledge as a legal expert, including serving as the Deputy Minister for Planning and Coordination of the Ministry of Justice and the Chief Prosecutor of the Seoul Southern District Prosecutors' Office. He was appointed as he would enhance the expertise and diversity of the Board of Directors.
Outside Director	Eui-Kyung Lee	Outside Director Candidate Recommendation Committee	March 2025 ~ March 2028	Health and Administration	She is a healthcare professional who majored in Social Pharmacology and has extensive experiences in new drug efficacy verification and pharmaceutical policy research. She also has a high level of understanding of the pharmaceutical and bio industries based on her career in the health administration field, including as the Commissioner of the Ministry of Food and Drug Safety. She was appointed as an outside director as she would contribute to our company's strategic decision-making.

Outside Director	Sun Hyun Park	Outside Director Candidate Recommendation Committee	March 2024 ~ March 2027	Corporate Strategy, Board Management	Based on his dedicated research years on the decision-making process of top management and corporate Boards of Directors, growth strategies, and corporate diversity and innovation, he is expected to provide expert viewpoint on the strategic decision-making of the Board of Directors and sustainable growth of the Company.
Outside Director	Jeong-Wook Choi	Outside Director Candidate Recommendation Committee	October 2020 ~ March 2026 (1 Term)	Finance and Accounting	As a certified accountant, he has worked in tax affairs for 30 years at Ji-Pyeong Law Firm, Samil Accounting Firm, Kim & Chang Law Firm, and Samjong KPMG Accounting Firm. He also served as a member of the Tax System Development Deliberation Committee of the Ministry of Economy and Finance, and has diverse experiences and professional knowledge contributing to the growth and development of the Company.

Other Non-executive Director	Jae-hyun Ahn	Board of Directors	March 2023 ~ March 2026	Corporate Management	He has a high level of expertise in investment and M&A as he served as the CEO of SK discovery, CEO of SK ecoplant, CEO of SK D&D, head of the Management Support Division and a Chair of the New Growth Energy Committee of SK gas. In particular, he successfully implemented the transformation of SK ecoplant's business structure to eco-friendly and green energy, and is expected to contribute to the establishment of the Company's bio-centric portfolio and acceleration of ESG management.

2-11
Chair of the highest governance body

We ensure the independence of the Board of Directors so that the Board can fulfill its unique role as checks and balances based on its independent decision-making authority and continue efficient management activities centered on the Board. Accordingly, we elected Ik-Hwan Kwon, an outside director, as Chairman of the Board from March 2022 to strengthen the oversight and checks on management by separating the CEO and Chairman of the Board.

Governance > Board of Directors > Composition & Operation of the Board > Composition & Principle of the Board

2-13
Delegation of responsibility for managing impacts

SK bioscience delegates the Board's authority and responsibilities to the Committees under the Board through the Board Regulations. In particular, the ESG Committee has been delegated by the Board to establish annual business plans and mid- to long-term strategies as well as to manage the implementation of ESG management. The latter includes company-wide ESG strategic direction, monitoring and performance of ESG initiatives, identifying major non-financial risks and deciding on countermeasures.

SK bioscience has purchased Directors and Officers (D&O) liability insurance at the Company’s expense to secure effectiveness in pursuing liability against directors and to recruit competent persons as directors. This is stipulated in the Corporate Governance Charter to enable Outside Directors to perform their duties more actively.

Directors' Liability Insurance Coverage Status

Insured Corporation	Insurance Premium	Total Coverage Limit	Insurance period
SK bioscience Co., Ltd.	KRW 56.3 million/Year	KRW 30 billion	August 1, 2024 ~ July 31, 2025

Governance > Board of Directors > Composition & Operation of the Board > Operation of the Board > Directors Liability

2-14
Role of the highest governance body in sustainability reporting

In 2021, SK bioscience established the ESG Committee, which comprises one executive director and two outside directors, under the Board. To ensure effective committee operation, the Company revised the ESG Committee Regulations. The primary role of the ESG Committee is to review and advise on management strategies and directions for the Company's sustainable growth. Additionally, ESG Committee is responsible for setting ESG activity goals and developing detailed action plans. It also conducts reviews of activities and information disclosure, which allows the Committee to make well-informed decisions regarding ESG risks and opportunities. In particular, the ESG Committee is responsible for pre-reviewing and advising on material topics to be included in the Sustainability Report, thereby enhancing the objectivity of ESG disclosure and its alignment with business strategy.

Governance > Board of Directors > Board Meetings and Evaluation > Committees Meetings and Attendance > ESG Committee

2-15
Conflicts of interest

SK bioscience limits the number of outside directors' concurrent positions to a maximum of one in accordance with the Korean Commercial Act, and operates dual position limits, a prior approval system, and guidelines for the independence of outside directors to prevent conflicts of interest and ensure the independence and transparency of the Board. Where conflicts of interest may arise, they are overseen by the Board and the Audit Committee, and the relevant standards are based on the Board Regulations and the Corporate Governance Charter. As of 2024, all of outside directors are non-executive, independent directors, and their directorships are as follows.

Concurrent Positions held by Board Members

Name	Position	Part-time company	Part-time position	Appointment	Part-/Full-time
Ik-Hwan Kwon	Outside director	Hanwha Corporation	Outside director	March 29, 2022	Part-time
Sun Hyun Park	Outside director	Doosan Group	Outside director	March 28, 2024	Part-time
Jae-hyun Ahn	Other non-executive director	SK Chemicals Co., Ltd.	CEO	March 28, 2023	Full-time

2024 Business Report > VIII. Matters Related to Executives and Employees > 1. Status of Executives and Employees > 2) Status of Concurrent Positions held by Registered Executives

2-17
Collective knowledge of the highest governance body

SK bioscience also supports outside directors to attend regular forums, conferences, and seminars to improve their understanding of overall management including the bio-industry, ESG management, HR, and audit.

Governance > Board of Directors > Composition & Operation of the Board > Operation of the Board > Training for the Board

2-18
Evaluation of the performance of the highest governance body

SK bioscience conducts regular evaluations of the Board and its members' activities once a year to enhance the credibility of governance and improve the efficiency of Board operations. We set out the evaluation criteria in the 'Guidelines for Independence of Outside Directors and Diversity of the Board of Directors', which we

have established in accordance with the ESG standards of the Korea Institute of Corporate Governance and Sustainability (KCGS). Moreover, we transparently disclose the evaluation results so that stakeholders can obtain sufficient information on the activities of the Board. In 2024, we carried out a self-evaluation survey and received an overall rating of 4.9 out of 5.

SK bioscience conducts individual evaluations of outside directors once a year to advance our governance. To ensure the objectivity of the evaluation, we use evaluation indicators that reflect the opinions of ESG rating agencies, specialized organizations, and investors.

2024 Board Evaluation Results

Evaluation Indicators	Result
Board composition	5.0
Board roles	4.9
Board responsibility	4.7
Board operation	4.9
Composition of committees	5.0
Role/Operation of committees	5.0
Total	4.9

(Unit: point, out of 5)

Governance > Board of Directors > Board Meetings and Evaluation > Board Evaluation & Remuneration

2-20
Process to determine remuneration

The remuneration payment limit for directors of SK bioscience is determined through the approval at the Annual General Meeting of shareholders to strengthen management transparency and secure compensation justification. We pay salaries and bonuses within the limits approved at the Annual General Meeting, after careful deliberation on the appropriateness of the remuneration for directors. For executive directors, the Nomination and Compensation Committee under the Board reviews the appropriateness of the remuneration and pays it within the approved limits, comprehensively considering factors such as position, leadership, expertise, and contribution to the Company. As for outside directors, fixed remuneration is provided to ensure management independence and transparency.

The remuneration of the CEO of SK bioscience is also paid within the limits of remuneration for directors set at the Annual General Meeting after reporting to the Nomination and Compensation Committee and the Board. We set the salary by comprehensively considering the financial performance of the year, progress in securing future growth engines, ESG performance, and capability and leadership as a CEO, and then get approval from the Board. Bonuses are divided into Profit Sharing (PS) and Target Incentive (TI).

Board of Directors > Board Meetings and Evaluation > Board Evaluation & Remuneration > Board Members Remuneration System

Board of Directors > Board Meetings and Evaluation > Board Evaluation & Remuneration > CEO Evaluation and Remuneration

2-21
Annual total compensation ratio

Omission in report

Reason: [Confidentiality constraints] We do not disclose details corresponding to GRI 2-21 in this report as they are classified as confidential and directly related to our internal HR and remuneration policies and strategies. However, we separately disclose information on the total amount and basis of remuneration of individual executives in our business report in accordance with relevant laws and regulations, and we will continue to consider the possibility of expanding the scope of disclosure in the future for transparent communication with stakeholders.

4. Strategy, policies and practices 2021

2-22
Statement on sustainable development strategy

Under SK bioscience's mission of 'Promoting human health, from prevention to cure', we established an ESG implementation framework and specific tasks for each area centered around our ESG vision of 'Healthier Life, Sustainable Future'. We will secure the momentum for sustainable growth by managing environmental and social risks and realizing transparency in governance.

CEO Message

2-26
Mechanisms for seeking advice and raising concerns

SK bioscience operates reporting channels to identify and resolve human rights violations occurring both inside and outside the Company. The online reporting channel categorizes issues such as verbal abuse, physical violence, sexual harassment, exclusion from work, and personal errands among employees under "lack of respect for employee dignity" and treats them as the Code of Ethics violations. Moreover, guidelines for addressing workplace bullying and sexual harassment are available on our company website, and we have established a grievance process to protect victims. The results of the annual investigation are reported to the Board of Directors. The insights derived from these issues are then incorporated into internal regulations or guidelines and shared with employees through the Ethical Management Practice Letter to raise awareness and vigilance. Also we diligently track the number and causes of grievance reports and make efforts to resolve them, as well as protect the identity of the whistleblowers to ensure they do not face any disadvantages for reporting.

SK bioscience also established compliance policies and regularly conduct annual business ethics and compliance training and pledges to prevent risks and embed ethical practices in our employees. Additionally, we operate a monitoring system that continuously checks reporting channels and marketing expenditure. We conduct business ethics practice surveys to evaluate the level of ethical practices, and the results are reflected to improve the business ethics and compliance management system. If violations are confirmed as the result of investigation and monitoring of reports, we follow disciplinary procedures, notify all employees, and reflect them in regulations and trainings.

Social > Human Rights Management > Human Rights Risk Management > Human Rights Grievance Handling
SK Ethical Management Consulting/Report Channel
Governance > Business Ethics·Compliance > Business Ethics·Compliance Management System

2-28
Membership associations

Based on the mission and social responsibility, SK bioscience is actively engaged in creating a global vaccine ecosystem, improving public health, making policy recommendations, and conducting joint research activities in collaboration with relevant organizations and associations at both domestic and international levels.

*** Major member associations and initiatives**
- Korea Pharmaceutical and Bio-Pharmaceutical Manufacturers Association (KPBMA)
- Korea Biomedicine Industry Association (KoBIA)
- Korea Biotechnology Industry Organization
- Developing Countries Vaccine Manufacturers Network (DCVMN)

Memberships and Contributions

Category	Unit	2022	2023	2024
Main membership associations[1)]	KRW 1 million	415	413	211
Others	KRW 1 million	5	11	12
Total annual contributions	KRW 1 million	420	424	223

1) Where the membership fee is KRW 10 million or more

ESG Data Library > Company Overview > Memberships and Global Initiatives

5. Stakeholder engagement 2021

2-29
Approach to stakeholder engagement

SK bioscience promotes a sustainable growth by identifying and communicating key concerns with stakeholders through the operation of communication channels.

ESG Data Library > Company Overview > Stakeholder Engagement

2-30
Collective bargaining agreements

SK bioscience strives to create a labor-management culture based on cooperation and trust based on the SK Management System (SKMS). We conduct collective bargaining and wage negotiations centered by L HOUSE labor union to improve working conditions and enhance productivity, and actively share and discuss management status, happiness, and work environment improvement through the through the HQ/Andong Labor-Management Council.

Labor Practices

Category	Unit	2022	2023	2024
Employees joining the labor union	Persons	141	139	139
Employees entitled to collective bargaining	Persons	141	139	139
Percentage of employees covered by collective bargaining agreements	%	13.1	12.6	13.5

※ G-positions are subject to collective bargaining agreements, and other positions are not subject to joining labor unions, but their working conditions are discussed and decided by the employment rules, Labor and Management Consultative Body (Our Happy Bioscience, OHB), and Warm-hearted Professionals Talk Talk.

Social > Employee Happiness > Supporting Employee Happiness > Win-win Labor-Management Culture

GRI 3. Material Topics

Disclosures | Disclosure Contents | Data Tables | Files | URLs | Business Cases

1. Disclosures on Material Topics 2021

3-1
Process to determine material topics

To understand the Company's sustainability topics, SK bioscience considered business activities across the value chain and both internal and external stakeholders and reviewed the previous year's sustainability topic list. In addition, we comprehensively analyzed domestic and international peer review and benchmarking, global ESG ratings and disclosure standards, and global initiatives to identify key sustainability topics in our industry. Through this process, a total of 25 sustainability topics were determined. Based on double materiality assessment through various metrics analysis and stakeholders' survey, we prioritized five impact material topics and three financial material topics.

In particular, the material topics are subject to preliminary review by the ESG Committee, which conducts a governance-based review process to ensure alignment of our ESG strategy and disclosure.

Our ESG > Materiality Assessment > Double Materiality Assessment > Double Materiality Assessment Process

3-2
List of material topics

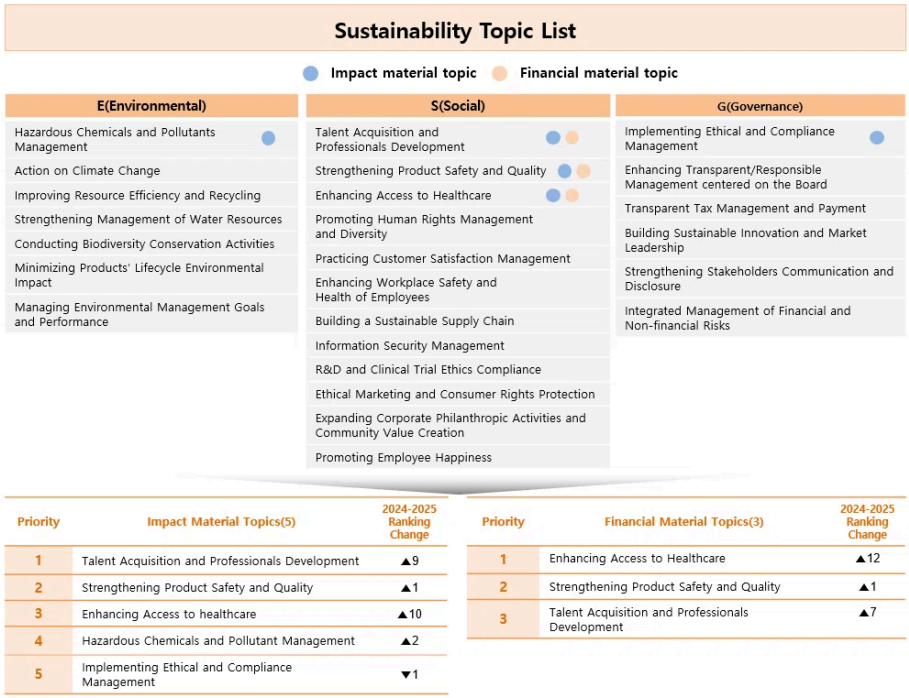
The five impact material topics are: 1) talent acquisition and professionals development, 2) strengthening product safety and quality, 3) enhancing access to healthcare, 4) hazardous chemicals and pollutants management, and 5) implementing ethical and compliance management. The three financial material topics are: 1) enhancing access to healthcare, 2) enhancing product safety and quality, and 3) talent acquisition and professionals development.

SK bioscience discloses detailed information on all sustainability topics, including impact and financial material topics, through the ESG website. In addition, material topics were finalized through the board-level review, and targets and performance are transparently disclosed by aligning them with our business and ESG strategies.

* While 2024 material topics were eleven in total, including 1) securing mid- to long-term growth engines, 2) embedding ESG into the Company, 3) strengthening product safety and quality, 4) implementing ethical and compliance management, and 5) action on climate change, this year we focused on five impact material topics and three financial material topics, in line with our enhanced materiality assessment process and the level of material topic management. 'Enhancing access to healthcare' was added as a new material topic reflecting the nature of our industry and business environment, while 'talent acquisition and professionals development,' 'hazardous chemicals and pollutants management,' 'strengthening product safety and quality,' and 'implementing ethical and compliance management' were selected as material topics again this year.

Our ESG > Materiality Assessment > Material Topics & Management

Sustainability Topic List



Ranking	Topic	GRI Topic Standards
1	Talent Acquisition and Professionals Development	401-1 401-2 401-3 404-1 404-2 404-3
2	Strengthening Product Safety and Quality	416-2
3	Enhancing Access to Healthcare	203-1 203-2
4	Hazardous Chemicals and Pollutant Management	305-1 305-2 305-3 305-4 305-7 306-1 306-2 306-3 306-4 306-5
5	Implementing Ethical and Compliance Management	205-2 205-3

Topic Standards Disclosures

GRI Topic. 200

Disclosures | Disclosure Contents | Data Tables | Files | URLs | Business Cases

GRI 201 : Economic Performance 2016

201-1
Direct economic value generated and distributed

Creation & Distribution of Economic Value

Category	Sub-category	Unit	2022	2023	2024
Direct economic value generated	Revenue	KRW 1 million	456,726	369,506	156,286
Economic value distributed	Salary & benefits (employees)	KRW 1 million	103,758	101,585	98,941
	Dividends & Interest payments	KRW 1 million	1,431	170[1)]	826
	Corporate tax (government)	KRW 1 million	19,281	-14,990	-45,356
	Raw material cost (suppliers)	KRW 1 million	68,615	130,875	64,621
	Community investment (Donations)	KRW 1 million	5,162	3,498	3,995
	Total	KRW 1 million	198,247	221,138	123,027

1) Decrease in payments due to the full repayment of outstanding foreign currency loans

SK bioscience IR Documents

201-2
Financial implications and other risks and opportunities due to climate change

Environmental > Action on Climate Change > Strategy

201-3
Defined benefit plan obligations and other retirement plans

SK bioscience operates Defined-Benefit (DB) and Defined-Contribution (DC) pension plans to ensure retirees' entitlements.

As of 2024, SK Bioscience operates a defined benefit (DB) pension plan with total assets of KRW 66.8 billion, which exceeds the total retirement benefit obligation (KRW 47.28 billion), and maintains financial solvency to secure pension stability and protect workers.

Operation of Retirement Pension

Category	Unit	2022	2023	2024
Funded amount (DB, Defined-Benefit)[1)]	KRW 100 million	208	396	668
People enrolled in pension support (DB, Defined-Benefit)	Persons	713	1,072	768
People enrolled in pension support (DC, Defined-Contribution)	Persons	2	5	8

1) As of the end of each fiscal year

※ The retirement pension operating amount in this report is calculated based on the fair value of external reserve assets. It may differ from the retirement benefit reserve liability (defined benefit liability) standard in the previous report, and the figures for 2022 and 2023 are also corrected based on the same standard.

Business Report > III. Matters related to Finance > 3. Notes to Financial Statement > 17) Retirement Benefits (Consolidated)

201-4
Financial assistance received from government

SK bioscience receives various forms of financial support from the government, including subsidies, tax credits and reductions, in the course of research and development of vaccines and biopharmaceuticals and investment in production facilities, which serves as a key financial foundation for the Company's continuous technological innovation and social value creation.

In 2024, we received KRW 447 million in government R&D subsidies.

Government Financial Support

Category	Unit	2022	2023	2024
Government R&D subsidy	KRW 1 million	627	611	447
Tax Credit & Reduction	KRW 1 million	11,527	1,364	0

GRI 203 : Indirect Economic Impacts 2016

3-3_203
Management of Indirect Economic Impacts

SK bioscience embeds social value into every process of creating and delivering our products and services. We objectively measure and manage the positive impacts of this value on our society.

The main areas of measurement are indirect economic contributions, environmental and social performances. Indirect economic contributions refer to the value created by corporate activities contributing to the economy, including employment, tax payment, and dividends. We also disclose our social value measurement formula to communicate with various stakeholders and improve/enhance our outcomes.

Our ESG > ESG Strategy > Social Value Creation > Outcomes of Social Value Creation

203-1
Infrastructure investments and services supported

SK bioscience has been promoting the 'Jigwanseoga' project since 2022 to expand cultural infrastructure and improve community health in Andong, where our business site is located. The project was implemented through public-private cooperation with Andong City and Platonic Academy, and we invested approximately KRW 1.04 billion to build a humanities space in the form of a book cafe, which was donated to Andong City in December 2024.

Jigwanseoga has become a cultural infrastructure in Andong, contributing to the creation of a humanities ecosystem and improving the mental health of local citizens, and SK bioscience is creating social value by expanding access to culture.

This project goes beyond simple sponsorship and aims to create a sustainable cultural ecosystem and strengthen the local community.

Social > Win-win Management > Corporate Philanthropy > Supporting Local Communities
Social > Win-win Management > Enhancing Access to Healthcare > Fostering Global Bio Ecosystem

203-2
Significant indirect economic impacts

SK bioscience is not only creating economic performance, but also internalizing social values in the entire process of products and services, and making indirect positive impacts on the economy and society both domestically and internationally.

In 2024, we generated indirect economic effects in the following areas:

- Contribution to employment creation : KRW 103.6 billion in employment economic effects
- Contribution to national finances through tax payments : KRW 800 million in corporate tax payments
- Improved quality of life : Approximately KRW 44.3 billion
- Corporate philanthropy : Approximately KRW 4 billion
- Contribution to labor and welfare : Approximately KRW 4 billion

※ Figures are calculated based on our internal SV (Social Value) measurement formula.

SK bioscience is also indirectly contributing to the improvement of the international public health system by expanding vaccine supply to low- and middle-income countries (LMICs), improving affordability of vaccines, and through global vaccine manufacturing partnerships (e.g. RVMC, etc).

In 2024, we contributed to strengthening the global health crisis response system by establishing procurement strategies in collaboration with international organizations (e.g. GAVI, WHO, etc.), sharing vaccine R&D capabilities, and fostering global talent to develop next-generation vaccines.

Social Value (SV) Creation

Category	Sub-category	Unit	2024
Indirect economic contributions	Employment	KRW 100 million	1,036
	Dividends	KRW 100 million	0
	Tax payment	KRW 100 million	8
Environmental performance	Products	KRW 100 million	0
	Process	KRW 100 million	-2
Social performance	Quality of life	KRW 100 million	443
	Labor	KRW 100 million	40
Social Performance	Shared-growth	KRW 100 million	0
Social performance	Corporate philanthropy	KRW 100 million	40

Our ESG > ESG Strategy > Social Value Creation > Outcomes of Social Value Creation
Social > Win-win Management > Enhancing Access to Healthcare > Market Expansion & Support Strategy

GRI 205 : Anti-corruption 2016

3-3_205
Management of Anti-corruption

SK bioscience has established business ethics principles that reflect the basic management philosophy of the SK Management System (SKMS), with the belief that 'transparency is the key prerequisite for corporate sustainability'. The Code of Ethics, which was established in consideration of various stakeholders, serves as the basis for judgment of employees' decisions and behaviors in all management activities.

Governance > Business Ethics · Compliance > Business Ethics Policy

205-2
Communication and training about anti-corruption policies and procedures

SK bioscience considers the ethical management as the core principle of anti-corruption response, and conducts anti-corruption education and internalization of ethical standards so that all employees can recognize and prevent corruption risks.

We have established and operated the 'Code of Ethics' and 'Code of Ethics Practices Guidelines', etc. for ethical management practices, and disseminate these policies through pledges upon joining the company and mandatory training for all employees at least once a year. We do not provide separate ethical management trainings for outside directors.

The following anti-corruption-related education and communication activities were conducted in 2024:

- Inclusion of anti-corruption and fair trade sections within company-wide ethics training (online course)
- Ethics training for new hires and promotions (including the Code of Ethics and Internal Control Obligations)
- Preventing risks for external stakeholders through notification of the Code of Conduct and receipt of pledges from business partners
- Company-wide announcement of anti-corruption policies and procedures, including distribution of revised ethics management Q&A, ethics management practice letter, etc.

In addition, proactive ethics risk guidance and internal control inspections are being conducted in parallel for high-risk business departments (such as marketing), and executives and managers at the team leader level and above are required to submit pledges as responsible entities for corruption prevention.

Business Ethics Training

Category	Sub-category	Unit	2022	2023	2024
Training completion rate[1)]	Training completion rate	%	99	99	99
Workshop	Training hours per person	Hour	1	1	1
	Number of participants	Persons	861	807	896
Online training	Training hours per person	Hour	1	1	1
	Number of participants	Persons	918	941	978

1) The training completion rate was calculated as (the number of participants in training/the number of people targeted for training), and is different from the total number of employees in GRI 2-7 as it targets employees at the time of training.

Governance > Business Ethics·Compliance > Business Ethics·Compliance Management System
Governance > Business Ethics · Compliance > Business Ethics·Compliance Capacity-building

205-3
Confirmed incidents of corruption and actions taken

Ethical Report / Violation / Discipline

Category	Sub-category	Unit	2022	2023	2024
Status of ethical reports	Violations filed in reporting channels	Cases	19	13	15
	Resolved cases out of total violations reported	Cases	19	13	15
	Percentage of resolved cases out of total reported	%	100	100	100
Types of ethical reports	Unfair practices and abuse of power against business partners	Cases	0	0	0
	Lack of respect among employees	Cases	5	3	3
	Discrimination or harassment	Cases	1	0	1
	Improper business practices	Cases	10	8	8
	Conflict of interest	Cases	2	1	0
	Undermining of social values	Cases	1	0	1
	Compliance violations	Cases	0	1	2
Ethics-related disciplinary actions	Dismissal	Cases	0	0	1
	Suspension	Cases	6	2	1
	Salary reduction	Cases	11	1	4
	Reprimand	Cases	9	1	2
	Warning (verbal/written)	Cases	14	3	14
	Others (unverifiable, dismissed)	Cases	0	0	2

GRI 206 : Anti-competitive Behavior 2016

3-3_206 Management of Anti-competitive Behavior	SK bioscience is vigilant against unfair gains from anti-competitive behavior, monopolization, and unfair trade, and strives to lay the foundation for a more just and transparent company through the compliance management system. In 2023, SK bioscience published and distributed a Fair Trade Compliance Handbook to all employees. This handbook aims to enhance understanding and adherence to laws related to fair trade, the Pharmaceutical Affairs Act, and fair competition regulations. It includes the fundamental principles and guidelines of fair trade, aiming to ensure transparency and fairness in marketing activities. ESG Data Library > Policies & Certifications > Business Ethics > Handbook for Voluntary Compliance with Fair Trade
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	To prevent anti-competitive behavior and violations of antitrust laws, we have established an internal control system, including the Handbook for Voluntary Compliance with Fair Trade, a contract review system, and proactive risk analysis procedure, and conduct regular trainings for major departments. 2024 Business Report > XI. What else is required to protect investors > 3. Matters relating to sanctions

GRI 207 : Tax 2019

207-1
Approach to tax

SK bioscience evaluates and manages tax risks that may arise due to ongoing changes in tax policies, as well as those associated with our business activities, including new growth investments. Recognizing the complexity of tax laws and differences in interpretation, we understand that it is impossible to eliminate all tax risks entirely. Therefore, our focus lies in preemptive identification and management of uncertain tax issues. To proactively prevent such risks, we continuously monitor domestic and international tax laws, as well as tax trends in each country, and cooperate and communicate with tax experts.

Governance > Risk Management > Risk Management System > Tax-related Decision-making System

GRI Topic. 300

Disclosures | Disclosure Contents | Data Tables | Files | URLs | Business Cases

GRI 302 : Energy 2016

302-1
Energy consumption within the organization

ESG Data Library > Facts & Figures > Environmental > Action on Climate Change > Energy Consumption

302-3
Energy intensity

Energy Intensity

Category	Unit	2022	2023	2024
Total energy consumption	TJ	384	401	396
Energy intensity[1)]	TJ/KRW 100 million	0.08	0.11	0.25

1) Total energy consumption / Revenue in the reporting year

ESG Data Library > Facts & Figures > Environmental > Action on Climate Change > Energy Consumption

GRI 303 : Water and Effluents 2018

3-3_303
Management of Water and Effluents

Envionmental > Environmental Impacts Management > Water Resources Management

303-2
Management of water discharge-related impacts

SK bioscience systematically manages water resource use and discharge through an ISO 14001-based environmental management system to minimize the impact of wastewater discharge from vaccine manufacturing on local aquatic ecosystems and public water treatment infrastructure. All wastewater is pre-treated at all domestic worksites, including Andong L HOUSE, to within the limits, and we continuously improve water impact management through water quality monitoring and regular inspections.

303-3
Water withdrawal

ESG Data Library > Facts & Figures > Environmental > Environmental Impacts Management > Water Intake & Consumption

303-4
Water discharge

ESG Data Library > Facts & Figures > Environmental > Environmental Impacts Management > Water Intake & Consumption
ESG Data Library > Facts & Figures > Environmental > Environmental Impacts Management > Water Pollutants Emissions

303-5
Water consumption

SK bioscience quantitatively manages water usage across production, research and daily consumption to ensure responsible use of water resources, and builds an efficient water management system by optimizing manufacturing processes and increasing water reuse.

Water is mainly supplied through the municipal water and is used for facilities of cleaning, cooling, and production process in Andong L HOUSE.

In addition, we closely monitor daily consumption through a flowmeter-based measurement system, and partially operate a circular use system utilizing rainwater tanks and recycled water used in the process.

Water Withdrawal & Consumption (SKBS)

Category	Unit	2022	2023	2024
Total water consumption	Ton	58,925	63,339	74,334
Total water reused[1)]	Ton	40,324	39,812	40,089
Percentage of water reused[2)]	%	68.4	62.9	53.9
Data coverage	%	100	100	100

1) Calculated based on SK bioscience's floor area ratio in the HQ and R&D Center buildings
2) Due to a change in calculation standards, 2022 and 2023 data have been revised. The percentage of reused water was calculated using the formula: (Total reused water / Total water consumption) × 100, based on flow meter readings under the assumption of continuous operation (24 hours/day, 365 days/year).

ESG Data Library > Facts & Figures > Environmental > Environmental Impacts Management > Water Intake & Consumption

GRI 304 : Biodiversity 2016

304-1
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

In 2024, we selected the 'Phygasia fulvipennis' as a protected species through a biodiversity survey near Andong L HOUSE, and ran employee-participating clean-up campaign to preserve the habitat of the species. In 2025, we are planning to organize protection activities for nationally designated and protected wildlife species living in Andong.

Meanwhile, our new global R&PD Center in Songdo plans to minimize water pollution and reduce the impact on biodiveristy by treating wastewater generated during R&D and discharging it into the West Sea through the Songdo Sewage Terminal Treatment Plant.

SK bioscience will continue to coexist with local ecosystems, practice biodiversity conservation throughout its business activities, and create sustainable environmental values with local communities.

Environmental > Environmental Impacts Management > Biodiversity Conservation

GRI 305 : Emissions 2016

305-1
Direct (Scope 1) GHG emissions

ESG Data Library > Facts & Figures > Environmental > Action on Climate Change > Scope 1&2 Emissions

305-2
Energy indirect (Scope 2) GHG emissions

ESG Data Library > Facts & Figures > Environmental > Action on Climate Change > Scope 1&2 Emissions

305-3
Other indirect (Scope 3) GHG emissions

ESG Data Library > Facts & Figures > Environmental > Action on Climate Change > Scope 3 Emissions

305-4
GHG emissions intensity

ESG Data Library > Facts & Figures > Environmental > Action on Climate Change > Scope 1&2 Emissions

305-7
Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions

SK bioscience operates high-efficiency combustion facilities and waste gas pretreatment facilities to minimize emissions of major air pollutants such as nitrogen oxides (NOx) and sulfur oxides (SOx), and all emissions from our plants, including the main production base, Andong L HOUSE, are managed below the levels set by relevant laws and regulations. We also conduct regular internal environmental inspections and monitoring through internal SHE system, and are continuously promoting process-wide improvement activities such as shifting to eco-friendly refrigerants.

Concentration & Emissions of Air Pollutants (L HOUSE)

Category	Sub-category	Unit	2022	2023	2024
NOx	Concentration	ppm	38.0	35.0	40.7
	Emissions	Ton	8.3	9.5	8.5
	Intensity	Ton/KRW 100 billion	1.8	2.6	5.5
SOx	Concentration	ppm	1.7	0.0	0.0
	Emissions	Ton	0.0	0.0	0.0
	Intensity	Ton/KRW 100 billion	0.0	0.0	0.0
Dust	Concentration	ppm	4.0	0.6	0.6
	Emissions	Ton	0.06	0.06	0.06
	Intensity	Ton/KRW 100 billion	0.01	0.02	0.04

* Air pollutants are all emitted from one worksite, Andong L HOUSE.
** Intensity = Each air pollutant emissions / Revenue in reporting year

Environmental > Environmental Impacts Management > Air Pollutant Management

GRI 306 : Waste 2020

306-1 Waste generation and significant waste-related impacts	Due to the nature of the vaccine manufacturing process, SK bioscience generates specified/designated and general wastes from cleaning, testing, and sterilization of production facilities, so we focus on waste management by reducing the amount of waste generated, harmless treatment, and responsible consignment system. In particular, at Andong L HOUSE, a major worksite, we closely manage waste generation factors by process to reduce waste generation, and improve production processes in the direction of reusing and recycling resources. We also enhance resource circularity by upgrading the waste separation and recycling system. All waste is properly disposed of through specialized companies with legal licenses. We recognize the importance of the following waste-related environmental impacts : • Safe separation, storage, and transportation of specified/designated wastes • In-process waste management procedures to prevent hazardous substances from entering the environment • Efforts to sort recyclable resources • Operating emissions data monitoring system for recycling and responding to environmental regulations SK bioscience operates a regular inspection system led by the SHE department to ensure the safety of outsourced waste disposal. Environmental > Environmental Impacts Management > Waste Management
306-2 Management of significant waste-related impacts	Due to the nature of the vaccine manufacturing process, SK bioscience generates specified/designated and general wastes from cleaning, testing, and sterilization of production facilities, so we focus on waste management by reducing the amount of waste generated, harmless treatment, and responsible consignment system. At Andong L HOUSE, our main production base, we minimize the environmental impact of waste by closely identifying the waste generation status by process and operating a separation system and emission monitoring system to improve recycling rates. Recyclable items among general wastes are separated and entrusted to external recycling partners, while specified/designated wastes are sterilized and stored according to the degree of contamination concerns and then properly treated through licensed companies. Environmental > Environmental Impacts Management > Waste Management
306-3 Waste generated	ESG Data Library > Facts & Figures > Environmental > Environmental Impacts Management > Waste Disposal
306-4 Waste diverted from disposal	ESG Data Library > Facts & Figures > Environmental > Environmental Impacts Management > Waste Disposal
306-5 Waste directed to disposal	ESG Data Library > Facts & Figures > Environmental > Environmental Impacts Management > Waste Disposal

GRI 308 : Supplier Environmental Assessment 2016

308-1
New suppliers that were screened using environmental criteria

In 2024, SK bioscience completed supply chain ESG risk self-assessments and third-party verifications for 44 business partners. The assessment results did not identify any legal violations in major items; however, approximately 68% of participating companies were identified as high-risk, thus conducted a comprehensive improvement consulting to establish focused improvement tasks for early resolution of ESG risks and prioritize those tasks for each business partner.

308-2
Negative environmental impacts in the supply chain and actions taken

To strengthen the sustainability of supply chain and prevent environmental risks for our suppliers, SK bioscience conducted a supply chain ESG risk diagnosis in 2024 and supported customized improvement activities for high-risk suppliers.

The results of the diagnosis were transparently shared with participating suppliers, and those identified as high-risk were provided with comprehensive improvement consulting, risk mitigation plans, and a regular monitoring system. We also set priority management items and environmental indicators for each supplier, and support all suppliers with the goal of de-risking them.

Prior to the assessement, SK bioscience executes annual ESG management training for suppliers. The training encompassed ESG management principles, the necessity of environmental management, assessment standards, case studies, and disclosure practices to raise awareness and strengthen implementation capabilities.

The Company also assisted the suppliers with consulting support in setting environmental management objectives and tracking their performance since 2023. These improvement efforts resulted in 50% of high-risk business partners engaged in consulting in 2023 improved their risk diagnosis to medium risk in the 2024 diagnosis.

Environmental > Environmental Management > Environmental Management Activities > Supporting Supply Chain Environmental Management
Social > Win-Win Management > Sustainable Supply Chain > Supply Chain ESG Risk Management

GRI Topic. 400

Disclosures | Disclosure Contents | Data Tables | Files | URLs | Business Cases

GRI 401 : Employment 2016

3-3_401
Management of Employement

SK bioscience considers securing talented employees and creating a sustainable employment environment as a key foundation for realizing its corporate mission of 'Promoting human health'.

To cope with the rapidly changing global health environment and the nature of the vaccine industry, we strategically recruit talented and diverse individuals and operate a fair and transparent recruitment process.

Social > Employee Happiness

401-1
New employee hires and employee turnover

ESG Data Library > Facts & Figures > Social > Employee Happiness > New Hires
ESG Data Library > Facts & Figures > Social > Employee Happiness > Employee Turnover Status

401-2
Benefits provided to full-time employees that are not provided to temporary or part-time employees

SK bioscience operates and continuously improves various welfare programs that go beyond legal standards to ensure that employees are working in a happy workplace. We focus on improving the quality of life of our employees through various welfare programs such as living, medical/health, events, personal development, and childcare support.

In particular, the Company also operates a vacation system for employees' refreshment, and provides 6 days of summer vacation per year so that employees and their families can spend enough time together. The Company encourages employees to actively use the system.

Social > Employee Happiness > Supporting Employee Happiness > Better Work-life Balance

401-3
Parental leave

SK bioscience has created a favorable environment for female employees to work. We practice maternity protection through various institutional supports, such as congratulations on the birth of a child, gifts of fruit baskets, support for medical expenses related to childbirth, and contracts for daycare centers. In particular, we operate a flexible work environment for female employees by operating a time-shift system to help them balance work and family.

Social > Employee Happiness > Talent Acquisition & Management > Diversity Policy & Framework > Maternity Protection System
ESG Data Library > Facts & Library > Social > Employee Happiness > Childcare Leave

GRI 403 : Occupational Health and Safety 2018

403-1
Occupational health and safety management system

SK bioscience operates a safety and health management system based on ISO 45001, the international standard for safety and health management system. Andong L HOUSE, our main production facility, is ISO 45001 certified to ensure the international conformity of safety and health management system. The company-wide SHE system, which includes not only internal workers but also suppliers, creates a safe working environment for all employees.

Social > Safety · Health > SHE Management System > SHE Management System & Policy
ESG Data Library > Policies & Certifications > SHE Management > ISO 45001

403-2
Hazard identification, risk assessment, and incident investigation

SK bioscience has established a system to identify and evaluate occupational risks that may occur in the production process and work environment in advance, and based on this, we conduct safety and health management activities centered on accident prevention.

The Company conducts regular risk assessments at all worksites based on SHE (safety, health, and environment) standards, and strengthens preventive risk management by identifying hazards by task, standardizing high-risk work processes (SOPs), and establishing and checking the implementation of improvement plans.

Andong L HOUSE, a major production base, pre-assesses work risks based on a risk matrix, and applies a pre-approval and double-check system for high-risk work to ensure on-site safety.

In the event of an accident or near miss, immediate reporting and on-site isolation measures are taken, and the incident is officially registered and shared with the entire Company through the SHE Portal system. Incident investigations are then conducted using the following procedures :

1. Division-level primary cause analysis and submission of a disaster report

2. Formation of an accident investigation committee organized by the SHE Division based on the classification of the accident

3. Establishment of measures to prevent recurrence through in-depth cause analysis

4. Implementation of follow-up measures such as retraining, facility inspection, and improvement of work procedures

5. Sharing accident cases and measures with management and related organizations throughout the Company

This accident response system is tracked and managed through the SHE IT system and SHE Alert function, and is operated in conjunction with case dissemination and prevention-oriented training programs to prevent the recurrence of similar accidents.

Social > Safety · Health > Workplace Safety & Health Management > Safety & Health Risk Assessment Process

403-3
Occupational health services

Social > Safety · Health > Workplace Safety & Health Management > Employee Health Management Programs

403-4 Worker participation, consultation, and communication on occupational health and safety	SK bioscience operates various forms of participation-based safety and health programs to create an occupational safety and health culture in which workers directly participate and communicate. At major worksites, we regularly conduct SHE communication meetings and on-site safety inspection activities for workers, and we promote the internalization of a site-centered safety culture by collecting on-site opinions on hazards by task, receiving suggestions for improvement, and participating in safety campaigns. In addition, we have internal channels for workers to report accidents or hazards immediately, and a structure is in place for them to exert real influence on the decision-making process through anonymous reporting and feedback reflection system. In particular, SK bioscience has established and operates the 'Occupational Safety and Health Committee' in accordance with the Occupational Safety and Health Act, which is composed of equal number of representatives of workers and employers to deliberate and resolve major issues related to occupational safety and health. The Committee meets regularly, at least once a year, and plays a role in systematically reflecting the opinions of workers on safety and health management policies, risk assessment results, disaster prevention plans, worker education and training plans, and standards for the provision of protective equipment. Social > Safety · Health > Workplace Safety & Health Management > Establishment of Safety Culture
403-5 Worker training on occupational health and safety	SK bioscience conducts regular SHE (Safety, Health, Environment) training for all employees. In addition, specialized trainings on risk assessment, advanced safety practices, and LOTO (Lock Out Tag Out) are provided to strengthen risk response capabilities. We also provide customized safety and health training to stakeholders, including suppliers, to promote a safety culture. SK bioscience will continue to strengthen our education programs so that all employees and suppliers can recognize and practice the significance of occupational safety and health. Social > Safety · Health > Workplace Safety & Health Management > Establishment of Safety Culture
403-6 Promotion of worker health	Social > Safety · Health > Workplace Safety & Health Management > Employee Health Management Programs
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Based on the SHE (safety, health, and environment) management system, SK bioscience identifies hazardous risk factors for all work processes in advance and reflects them in standard operating procedures (SOPs) and risk assessment systems. We also evaluate our external outsourcing partners and major suppliers by including occupational safety factors in ESG risk assessment, and the identified risks are subject to improvement measures through the issuance of correction requests, educational support, and follow-up inspections. All safety and health activities are managed by the in-house SHE Division and reported to management and the Board of Directors if necessary to ensure that a prevention-oriented safety culture is internalized throughout the organization. Social > Safety·Health > Workplace Safety & Health Management > Establishment of Safety Culture

403-8 Workers covered by an occupational health and safety management system	SK bioscience applies an occupational safety and health system for all employees to ensure that they work in a safe and healthy environment, and its main production facility, Andong L HOUSE, is operated based on an ISO 45001-certified SHE management system. The Company's occupational safety and health system applies not only to internal employees, but also to outsourced production workers and some external partners, who are also required to follow the same safety rules and complete training. As of 2024, 100% of SK bioscience's employees and business partners are covered by the system, and core procedures such as regular training, risk assessment, and inspection of improvement activities have been internalized to ensure the system's effectiveness. ESG Data Library > Policies & Certifications > SHE Management > ISO 45001 Social > Safety · Health > Supplier Safety & Health Management > Safety & Health Cooperation Programs
403-9 Work-related injuries	ESG Data Library > Facts & Figures > Social > Safety·Health > Industrial Accident

GRI 404 : Training and Education 2016

3-3_404 Management of Training and Education	Social > Employee Happiness > Employee Capacity-building & Performance Evaluation
404-1 Average hours of training per year per employee	SK bioscience systematically operates customized training programs for each job and position to enhance the expertise and sustainable competency development of all employees, and continuously manages the annual training hours per employee. As of 2024, the average training hours per employee at SK bioscience is 59 hours, and the main types of training are as follows. • Job-specific training : marketing, GMP, GCP, bio in general, etc. • General competency training : language, ethics management, human rights management, pharmacovigilance (PV), etc. • Leadership and promotion courses : Leadership competency improvement, organization management • New hires and OJT program ESG Data Library > Facts & Figures > Social > Employee Happiness > Employee Training
404-2 Programs for upgrading employee skills and transition assistance programs	There are no outplacement programs to help employees manage after retirement or termination of employment (e.g., re-employment, entrepreneurship training, etc.), but we will develop them as the needs arise. Social > Employee Happiness > Employee Capacity-building & Performance Evaluation > Professionals Development Strategy
404-3 Percentage of employees receiving regular performance and career development reviews	ESG Data Library > Facts & Figures > Social > Employee Happiness > Employee Performance Evaluation

GRI 405 : Diversity and Equal Opportunity 2016

405-1
Diversity of governance bodies and employees

ESG Data Library > Facts & Figures > Social > Employee Happiness > Employee Diversity
ESG Data Library > Facts & Figures > Governance > Board of Directors > Board Composition

405-2
Ratio of basic salary and remuneration of women to men

Pay ratio by gender

Category	Unit	2022	2023	2024
Executives	%	110	99	107
Managerial positions	%	99	103	101
Non-managerial positions	%	100	102	102
Total	%	90	88	89

1) Target: Employees as of the end of the current year (including registered executives)
2) The gender ratio of the number of employees is reflected when calculating the average.

GRI 406 : Non-discrimination 2016

406-1 Incidents of discrimination and corrective actions taken	SK bioscience does not discriminate against employees based on gender, disability, age, nationality, region of origin, education, etc. in the recruitment and promotion process and treats them equally. To this end, we set, manage, and disclose management indicators such as gender pay ratio, gender ratio by position, turnover rate, and employment type, and strive to improve issues identified in the indicators. We also receive reports on various discrimination and unethical behavior at all times. ESG Data Library > Facts & Figures > Governance > Business Ethics · Compliance > Ethics Report / Consultation / Violation / Discipline

GRI 408 : Child Labor 2016

408-1 Operations and suppliers at significant risk for incidents of child labor	SK bioscience strictly prohibits child labor in accordance with ILO Conventions and national laws, and no child labor risks were identified in internal worksites and major supply chains during the period from 2023 to 2024. Social > Human Rights Management > Human Rights Management Framework > Human Rights Management Policy ESG Data Library > Policies & Certifications > Human Rights Management > Human Rights Management Statement

GRI 413 : Local Communities 2016

413-1
Operations with local community engagement, impact assessments, and development programs

SK bioscience operates a variety of customized philanthropy programs in health, education, culture, and infrastructure, focusing on areas near its major worksites such as Andong, and all worksites are creating sustainable community values based on practical interactions with local communities.

Community Engagement (as of 2024)

Category	Detail
Total expenditure for social contribution	About 4 billion
Beneficiary areas	Andong-si (Gyeongsangbuk-do), Seongnam-si (Gyeonggi-do)
Employee engagement programs	SK School, making infectious diseases prevention kits, blood donation, environmental clean-up near worksites, etc.
Community impact assessment	Evaluating community risks/impacts through human rights impact assessment

Social > Win-win Management > Corporate Philanthropy > Supporting Local Communities
Social > Human Rights Management > Human Rights Risk Management
ESG Data Library > Facts & Figures > Social > Win-win Management > Corporate Philanthropy

GRI 414 : Supplier Social Assessment 2016

414-1
New suppliers that were screened using social criteria

SK bioscience is evaluating the safety and health level of all existing and new suppliers as it has become mandatory to assess the safety and health management (SHE) qualification of suppliers from 2023.

Social > Safety · Health > Supplier Safety & Health Management > Safety & Health Cooperation Programs

414-2
Negative social impacts in the supply chain and actions taken

SK bioscience conducted ESG risk assessment for a total of 44 suppliers in 2024 to identify and prevent social risks such as human rights, labor, and health and safety across the supply chain.

The assessment included self-assessment, third-party verification, on-site due diligence, and customized improvement consulting, and targeted suppliers were selected based on a combination of the amount and frequency of transactions in the last three years, the results of the 2023 supply chain assessment, and ESG materiality.

As a result of the assessment, there were no violations of laws and regulations, but about 68% of the participating suppliers were identified as high-risk, and the following improvement activities were carried out as follows :

- Comprehensive improvement consulting and establishment of improvement tasks : Setting improvement priorities for each supplier and supporting mid- to long-term planning
- Establishment of customized risk mitigation plans and implementation checks: Regular monitoring and feedback on high-risk items
- Proactive training and capacity-building: Providing proactive trainings on ESG management, disclosure response, and environmental and social regulations
- Tracking performance and verifying risk reduction effectiveness: Approximately 50% of high-risk suppliers in 2023 were converted to medium-risk in the 2024 assessment

Summary of Supply Chain Risk Assessment (as of 2024)

Category	Detail
Partners subject to assessment	44 companies
High-risk group ratio	68%
Violations of laws	0 items
Partners subject to consulting	15 companies
Risk improvement rate	50% (compared to previous year)

Social > Win-win Management > Sustainable Supply Chain > Supply Chain ESG Risk Management

GRI 416 : Customer Health and Safety 2016

3-3_416
Management of Customer Health and Safety

As a company that develops and produces vaccines and biopharmaceuticals, SK bioscience sets the quality and safety of its products as its top priority and operates a full-cycle quality management system.

We apply quality standards throughout the entire process, from product design to production and distribution, and strive to protect the health and safety of our customers.

In particular, we have established a quality management system based on a global-level quality assurance system and ensure the safety and efficacy of our products through strict quality evaluation and shipment approval procedures.

In addition, we operate a system that enables rapid response to customer demands and early identification and response to product quality issues, thereby improving product reliability and customer satisfaction.

Social > Product Safety & Quality > Responsible Research & Development > Safe Clinical Research
Social > Product Safety & Quality > Responsible Marketing > Customer Satisfaction Strategy

416-2
Incidents of non-compliance concerning the health and safety impacts of products and services

To ensure the safety and efficacy of vaccines and biopharmaceuticals, SK bioscience operates a quality and safety management system for the entire product life-cycle based on the company-wide quality management system (QMS) and global standards.

We strictly comply with the approval, examination, and shipment approval procedures of domestic and foreign regulatory agencies, and have a prompt and transparent response system for any issues that may affect the health and safety of our customers.

In 2024, SK bioscience did not have any legal violations arising from health and safety impacts related to its products or services, or any significant corrective actions such as warnings, fines, or recall orders from regulatory agencies.

Violations of Laws/regulations related to the Health and Safety Impacts of Products/services

Category	Unit	2022	2023	2024
Fines or penalties	Cases	0	0	0
Warnings	Cases	0	0	0
Violations of self-regulation	Cases	0	0	0

GRI 417 : Marketing and Labeling 2016

417-2
Incidents of non-compliance concerning product and service information and labeling

SK bioscience complies with relevant laws and regulations such as the Pharmaceutical Affairs Act, the Medical Service Act, the Fair Trade Act, and the Code of Fair Competition in the process of manufacturing and distributing pharmaceutical products, and clearly and transparently labels essential information such as ingredients, efficacy, usage, and precautions in accordance with the standards of relevant regulatory agencies.

We manage and supervise processes based on product standards, manufacturing records, and guidebook, and operate a quality assurance system based on on-site participation through the QA on the shop floor system.

As of 2024, SK bioscience had no cases of violations of laws and regulations related to information display and labeling of products or services, and no cases of regulatory orders, fines, legal sanctions, or customer compensation for damages occurred.

Violations of Laws related to Provision of Product/Service Information

Category	Unit	2022	2023	2024
Fines	Cases	0	0	0
Warnings	Cases	0	0	0
Violations of self-regulation	Cases	0	0	0

Social > Product Safety & Quality > Quality & Safety Management > Quality Assurance Enhancement

417-3
Incidents of non-compliance concerning marketing communications

SK bioscience strictly complies with relevant domestic and international laws and ethical codes for all pharmaceutical marketing and communication activities. The main compliance standards are the Pharmaceutical Affairs Act, the Medical Service Act, the Fair Trade Act, and the Code of Fair Competition.

We have internally established advertising management process and a prior review system called the RED system to prevent legal and ethical risks such as false and exaggerated representations, slander of competitors, and inappropriate citation of clinical data.

In 2024, SK bioscience did not have any cases of legal violations related to marketing communications, and there were no administrative penalties such as warnings, corrective orders, or fines from regulatory agencies.

Violations of Marketing-related Laws

Category	Unit	2022	2023	2024
Fines	Cases	0	0	0
Warnings	Cases	0	0	0
Violations of self-regulation	Cases	0	0	0

Product Safety & Quality > Responsible Marketing > Responsible Marketing Policy

GRI 418 : Customer Privacy 2016

418-1
Substantiated complaints concerning breaches of customer privacy and losses of customer data

Violations of Customer Information Protection

Category	Unit	2022	2023	2024
Violations of customers data privacy	Cases	0	1[1)]	0
Complaints filed by external parties/whistleblowers and validated by institutions	Cases	0	0	0
Complaints filed by data regulatory bodies/authorities	Cases	0	0	0
Total amount of fines or penalties related to data security	KRW 1 million	0	1	0
Customers affected by the company's data breach	Persons	0	0	0

1) In 2023, we were subject to a fine for violation of the Personal Information Protection Act, which was omitted from the ESG Report at the time. This figure (as of 2024) reflects the correction, and we have improved the related management system to enhance the reliability and transparency of information.



| About this Report

Overview

SK bioscience has published ESG reports since 2022 to transparently share our ESG strategies and performances with our stakeholders. We will disclose our ESG management outcomes by publishing annual ESG report and incorporate the opinions of stakeholders into our management activities.

Reporting Guidelines

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021 and adopted the Task Force on Climate-related Financial Disclosure (TCFD).

Reporting Period & Scope

This report covers performance and activities from January 1 to December 31, 2024. It includes partial data for the first half of 2025. For some indicators, data for the past three years are presented to show the latest trend of quantitative performance. The scope of this report encompasses the entire ESG performance of the domestic worksites of SK bioscience (Headquarters, R&D Center, Andong L HOUSE). We have included data on a consolidated basis for those limited ESG activities of our subsidiaries IDT Biologika and TEW Service, which are included in our consolidated financial statements starting in the fourth quarter of 2024. The level of reporting varies depending on the availability of information and operational status, and where consolidated basis data is included, the indicators have been noted in a separate footnote. Financial information is completed based on consolidated financial statements under K-IFRS (Korean International Financial Standards). Non-financial information is also completed in accordance with the fiscal year.

Reporting Assurance

SK bioscience conducted an independent assurance process from the Korean Standards Association (KSA), a professional assurance agency, to secure the data reliability and improve the quality of the report. And the assurance followed the AA1000 Assurance Standard (AA1000AS) serving as a global standard for assurance on sustainability information.

Report Contact

- Department : SK bioscience ESG Team
- Address : 310, Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, Republic of Korea
- E-mail : esg.bs@sk.com

| Third-party Assurance Statement

Dear Management and Stakeholders of SK bioscience

■ Introduction

Korean Standards Association (“KSA”) was commissioned by SK bioscience(“the Company”) to perform a third-party Assurance Engagement of ‘SK bioscience 2025 ESG Report’(“the Report”). KSA presents independent opinions as follows as a result of the feasibility of the data contained in this Report. The Company has sole responsibility for the content and performance contained in this Report.

■ Independence

As an independent assurance agency, KSA does not have any kind of commercial interest in businesses of the Company apart from undertaking a third-party assurance on the Report. KSA has no other contract with the Company that may undermine credibility and integrity as an independent assurance agency.

■ Assurance Standards: AA1000AS v3

■ Assurance Level and Type: Moderate, Type2

Note: Moderate assurance has a lower level of confidence than high assurance because it is based on limited evidence.

■ Assurance Scope

The assurance scope includes systems and activities such as sustainability management policies, goals, businesses, standards, and achievements of the Company during the reporting period. While the Company’s environmental and social data, as well as financial data in a broad sense, was verified, the scope of review concerning stakeholder engagement was limited to the materiality assessment process.

- in adherence with the four principles of AA1000AP(AccountAbility Principles) 2018

- in accordance with GRI Standards 2021

(Topic Standards)

201-1, 201-2, 201-3, 201-4, 203-1, 203-2, 205-2, 205-3, 206-1, 207-1, 302-1, 302-3, 303-2, 303-3, 303-4, 303-5, 305-1, 305-2, 305-3, 305-4, 305-7, 306-1, 306-2, 306-3, 306-4, 306-5, 308-2, 401-1, 401-2, 401-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 404-1, 404-2, 404-3, 405-1, 405-2, 406-1, 408-1, 413-1, 416-2, 417-2, 417-3, 418-1

■ Assurance Methodology

KSA used the following methods to gather information, documents, and evidence with respect to the assurance scope.

- Confirmation of stakeholder engagement and materiality assessment process by the sustainability expert.
- Verification of environmental information disclosure data and information by the environmental expert.
- Examination of internal documents and basic materials.

■ Assurance limitations

KSA assumed that the data and evidence provided by the Company were complete and sufficient. KSA provided limited assurance through data inquiry and analysis as well as limited sampling methods.

■ Assurance Results and Opinions

KSA reviewed the draft version of this Report within the scope of this assurance and presented our opinions as an assurance provider. Modifications were made to the Report content if deemed necessary. KSA were not aware of any suspicions of significant errors or inappropriate descriptions in this Report as a result of our Assurance Engagement. As such, KSA present our opinions of the 'SK bioscience 2025 ESG Report' as follows.

Four principles of AA1000AP(AccountAbility Principles) 2018

Inclusivity

- Has the Company engaged its stakeholders in strategically responding to sustainability?

KSA believes the Company is aware of the importance of stakeholder engagement and is making an all-out effort to establish a process that will increase their engagement. The Company has selected stakeholders including Customers, Shareholders/Investment institutions, Business partners, Press/Public, Governments and associations, Employees, Communities/NGOs and has communication channels for each group to receive diverse feedbacks and opinions.

Materiality

- Has the Company included material information in the Report to help stakeholders make informed decisions?

KSA is not aware of any significant omissions or exclusions of data that are material to stakeholders. KSA verified that the Company conducted a materiality assessment with issues identified from analyses of internal and external environments and reported according to the result.

Responsiveness

- Has the Company appropriately responded to stakeholder requirements and interest in this Report?

KSA verified that the Company responded to stakeholders' needs and interests by reflecting stakeholders' opinions in the Report. KSA is not aware of any evidence that the Company's response to significant issues of stakeholders was reported inappropriately.

Impact

- Has the Company appropriately monitored its impact on the stakeholders?

KSA verified that the Company is monitoring and assessing its impact on the stakeholders by conducting an enhanced verification of its standard business activities. Furthermore, it has been verified that the Company appropriately publishes its findings in the Report.

Reliability and quality of specified performance

- Has the Company appropriately collected and disclosed specified performance information based on a reliable process?

The assurance provider performed a reliability assurance of the sustainability performance information on the subject of Type 2 assurance. To assure this information, interviews were conducted with relevant personnel, and it was determined that the performance information disclosed in the Report was collected and disclosed based on a reliable process and evidence. Additionally, no evidence was found indicating that specific sustainability information was inaccurately reported.

June 2025

Dong Min Moon

KSA Chairman & CEO



AA1000
Licensed Report
000-70/V3-H4054

The Korean Standards Association (KSA), established as a special corporation in accordance with the Law for Industrial Standardization in 1962, serves as a knowledge service provider that distributes and disseminates such services as industrial standardization, quality management, sustainability management, KS certification and ISO certification. The KSA is committed to the sustainable development of Korean society as an ISO 26000 national secretary, AA1000 assurance provider, KSI (Korea Sustainability Index) operator, and as an assurance provider of the Korean government's greenhouse gas energy target management system.

| Greenhouse Gas Verification Statement

GI-25234

Verification Opinion Statement

GHG Emissions Verification — **SK Bioscience Co., Ltd.**

Verification Target

Korean Foundation for Quality (hereinafter 'KFQ') has conducted an independent verification of Scope 1, 2 Greenhouse Gas Emissions (hereinafter 'GHG emissions') of SK Bioscience Co., Ltd.[1)] (hereinafter 'Company') for 2024. KFQ is responsible for providing an assurance statement on the GHG emissions based on the verification scope and criteria described below, while the responsibility for the claims made regarding the GHG emissions rests with the company.

1) Address (based on headquarters) : 310 Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, Republic of Korea

Verification Purpose

The purpose is to provide an independent verification opinion on the company's voluntary GHG emissions inventories.

Verification Scope

The scope of verification covers all facilities and emission sources at three sites under the operational control and organizational boundary of company during 2024.

Verification Criteria

The verification was carried out at the request of company using:

- ISO 14064-1:2018, ISO14064-3:2019
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- Rule for emission reporting and certification of greenhouse gas emission trading Scheme (Notification No. 2025-64 of Ministry of Environment)

Verification Approach

The verification has been conducted in accordance with the verification principles and standards of the 'ISO14064-3:2019' under the reasonable verification level. The verification shall contain the potential inherent limitation in the process of application of the verification criteria and methodology.

Conclusion

Based on the criteria and guidelines stated above, KFQ's verification opinion is as follows.

1) GHG emissions Company were properly calculated according to the verification standards.
2) The data and information used in calculating the GHG emissions were appropriate, reasonable, and no significant errors or omissions could affect verification statement were not found. The materiality assessment result of GHG emissions has met the agreed-upon criterion of less than 5%.
3) Accordingly, KFQ provides a verification opinion that is "Unmodified".

Unit : tCO_2eq

Scope 1	Scope 2	Total
5,344.014	13,853.409	19,196

* Because total emissions from each site are truncated, the company's total emissions may differ from the actual values by ±1 tCO2eq.

May 19st, 2025

Annex. Detailed GHG emissions calculation results

National Institute of Environmental Research

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kfq Korean Foundation for Quality

QA1500-05-GI(3)

GI-25234

Appendix. Summary of GHG Emission Results

Organization
SK Bioscience Co., Ltd.

Emission calculation period
The emission calculation period is from January 1st to December 31st, 2024.

GHG Emissions

Unit : tCO2eq

Business site	Scope 1	Scope 2	Emissions
Andong Plnat[1)]	5,165.748	12,186.921	17,352
Eco Hub	155.871	830.324	986
Eco Lab	22.395	836.164	858
Total	5,344.014	13,853.409	19,196

1) In the case of the Andong plant, the emission value verified as the designated workplace for the target management system for greenhouse gases is recorded.
* Because total emissions from each site are truncated, the company's total emissions may differ from the actual values by ±1tCO2eq.

www.kfq.or.kr
Q Tower, 78 Samjeon-ro, Songpa-gu, Seoul, 05606, Republic of Korea

kfq Korean Foundation for Quality

QA1500-05-GI(3)



Go to Website >>

SHE Management

Safety, Health & Environment(SHE) Policy	Korean	English
ISO 45001	Korean	English
ISO 14001	Korean	English

Human Rights Management

Human Rights Management Statement	Korean

Win-win Management

Supplier Code of Conduct	Korean

Governance

Articles of Incorporation	Korean	English
Corporate Governance Charter	Korean	English
Corporate Governance Report	Korean	
Audit Report	Korean	

Board of Directors

Regulations of the Board of Directors	Korean	English
Guidelines on Outside Directors Independence	Korean	English
Guidelines on the Board Diversity	Korean	English
Audit Committee Regulations	Korean	English
ESG Committee Regulations	Korean	English
Nomination and Compensation Committee Regulations	Korean	English
Outside Director Candidate Recommendation Committee Regulations	Korean	English
Internal Transaction Committee Regulations	Korean	English

Business Ethics

Code of Ethics	Korean	English
Code of Ethics Practice Guidelines	Korean	English
Compliance Regulations	Korean	English
Handbook for Voluntary Compliance with Fair Trade	Korean	

Risk Management

Information Security and Privacy Statement	Korean	
ISO 27001	Korean	English


SK bioscience