

Biodiversity Policy

Version 2.0



SK Chemicals Building, 310

Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do



Biodiversity Policy

Document #:


SK Chemicals -Basic Regulation

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Establishment/Amendment History

June 22, 2022	Establishment	Version 1.0
June 25, 2025	Amendment	Version 2.0

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1. Purpose of Establishment


SK Chemicals aims for sustainable growth through DBL (Double Bottom Line) management, which simultaneously pursues economic value and social value. Preventing deforestation caused by corporate activities and protecting and enhancing biodiversity is one of the core elements of DBL management, with the goal of achieving a Nature Positive state by 2030. SK Chemicals has established this policy based on references such as the Convention on Biological Diversity (CBD) and the Guidelines for Applying Protected Area Management Categories by IUCN.

2. Scope of Application

All business locations and members of SK Chemicals, including subsidiaries, are subject to this policy. Additionally, to conserve biodiversity across the entire value chain beyond business locations, stakeholders such as business partners are encouraged to comply with this policy. However, in cases where there are local laws and regulations related to biodiversity, these must be prioritized and complied with.

3. Basic Principles of Biodiversity Conservation

- ① We contribute to solving social and environmental issues through management activities that promote biodiversity conservation.
 - We support specific goals for the sustainable use of ecosystems, such as the protection of marine ecosystems within the UN SDGs (Sustainable Development Goals), and the 2030 biodiversity conservation target (No Net Loss) as defined in the Kunming-Montreal Global Biodiversity Framework (GBF).
 - We respect international initiatives such as TNFD (Taskforce on Nature-related Financial Disclosures) and SBTN (The Science Based Targets Network), and regularly monitor and transparently disclose our impacts, dependencies, and risks related to biodiversity based on these guidelines.
- ② When establishing a new business site or expanding an existing one, Biodiversity impact assessment is conducted prior to the investment execution. If necessary, Biodiversity impact assessment will also be carried out for existing business sites.

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③ We strictly comply with biodiversity-related regulations in areas where pollutant-emitting facilities are located. Additionally, we take an active approach to address any negative impacts on the ecosystem that may be identified.

④ We aim to end all deforestation activities, including the prohibition of new construction sites in forest areas. Additionally, we will gradually expand monitoring to prevent forest destruction in the value chain, including suppliers.

⑤ In accordance with human rights policies, we actively strive to respect the rights of indigenous peoples, local communities, and stakeholders near our business sites, and to prevent rights violations during our business activities by operating continuous communication channels.

⑥ To comply with the above principles, the Board of Directors, as the final decision-making body, supports the active implementation of this policy and fulfills its role in overseeing the conservation of biodiversity in business activities.

4. Implementation System


① Governance

SK Chemicals has established the ESG Committee as the highest decision-making body for biodiversity, which conducts overall management and supervision, including annual regular reviews of decision-making on major issues and related performance.

Additionally, the headquarters and business sites have practical organizations in place to implement biodiversity protection policies. The main role of these practical organizations is to analyze company-wide biodiversity risks and impacts, and to establish and implement biodiversity management strategies.

② Risk Management

SK Chemicals manages biodiversity risks by incorporating them into the company's integrated risk management system. For systematic risk management, the company analyzes its dependence on nature and impacts based on industry type and location, identifying risks accordingly. For the

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identified risks, specific action plans are developed and implemented to mitigate them. The implementation strategy reflects the SBTN AR3T framework, which aims to avoid negative activities, reduce their impact, restore and regenerate damaged or degraded ecosystems, and transform towards eco-friendly practices. For priority sites identified as having high environmental and financial significance related to biodiversity, a separate Net Loss Zero strategy is established, and the results of its implementation are monitored.

③ Grievance Handling

SK Chemicals operates an online communication channel on its website for its members, local communities, and stakeholders near its business sites to prevent and minimize damage to biodiversity that may occur in the areas where business sites are located. (www.skchemicals.com)

5. Activities

- ① SK Chemicals plans direct ecosystem conservation and restoration programs to promote biodiversity in the areas where its business sites are located, and implements them according to the established plans.
- ② SK Chemicals operates biodiversity education and participation programs for its members to raise awareness of the importance of biodiversity.
- ③ SK Chemicals actively participates in forums and associations for ecosystem protection to collect opinions from various stakeholders, including local residents, and continues to cooperate to resolve these issues.
- ④ SK Chemicals prohibits any forest destruction within its operating business sites, and is expanding the scope of management to prevent forest destruction in the value chain. In particular, the paper and pulp used in products supplied by the company, such as packaging materials, are gradually expanded to FSC-certified products.
- ⑤ SK Chemicals organizes SHE teams for each business site to prevent damage to the ecosystem in the areas where its business sites are located, and manages environmental impacts such as soil/water/air pollutants and waste discharge to minimize them.

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CEO, SK Chemicals

Ahn Jae-hyun

