SK Telecom's Digital Inclusion Policy



1. Purpose

Defining ICT as an essential tool to create innovation that puts people at the core, SK telecom is fully leveraging its ICT capability to keep moving people forward and bring meaningful changes to their lives. Under the clearly defined policy direction, SK telecom has adopted diverse methods to drive shared values across society, one of which is the unique program designed to bridge the "digital divide" of society, the most discussed but rarely addressed side effect of the rapidly changing ICT environment.

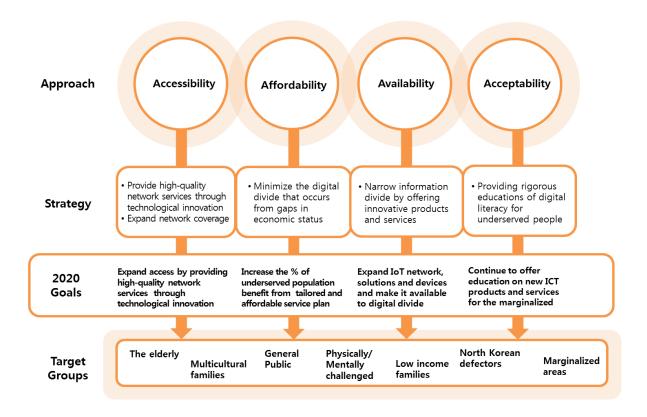
The SDGs (Sustainable Development Goals), which have been endorsed by UN national representatives in 2015 September recognizes the great potential of ICTs and calls for significantly increased access to ICTs, which will play a crucial role in supporting the implementation of social development and welfare.

It is SK Telecom's priority to support the achievement of the SDGs, by leveraging our capabilities and collaborating closely with other partners.

2. Digital Inclusion Strategy

SK telecom defines "digital inclusion" as filling in the digital gap created among people due to (1) limited access to products and services, (2) economic constraints, (3) introduction of more advanced ICT, and (4) insufficient experience with new technologies in general.

SK Telecom digital inclusion strategy



(1) Accessibility

Ensuring accessibility means expanding the geographical coverage of the network and providing high-quality network services through technological innovation so that more people can enjoy higher-quality access. Accessibility should not be limited by geography, network type, or device. SK Telecom ensures optimized network access even in mountainous areas, remote villages, and islands by improving wired/wireless network coverage, and introduces cutting-edge technologies for network advancement to offer faster access to more people.

(2) Affordability

SK Telecom seeks to minimize the digital divide that occurs due to gaps in economic status. It is engaging in various efforts to enhance its service affordability by introducing innovative and reasonable service plans so that the underprivileged would not be excluded from the rapidly evolving ICT environment.

(3) Availability

SK Telecom strives to narrow the information divide by offering innovative products, services and investing on solutions to help people rejoice the digital benefits. The rapid development of IoT is facilitating ICT convergence, which brings revolutionary changes across the industry. For example, O2N (Object to Object Intelligent Network) is helping those relatively less ICT savvy (e.g. senior citizens and the rural population) to enjoy the digital benefits.

(4) Acceptability

SK Telecom enhances the digital literacy of underserved people by providing the appropriate education, training and communication. These are all efforts to proactively respond to the smart information divide by offering services tailored to different demographic groups so that digital benefits can be shared with every member of society and improve the quality of life.

3. Strategic Focus & Targets

SK Telecom's strategic priorities and key targets are as follows:

(1) Accessibility: Expand access by providing high-quality network services

SK Telecom is making efforts to not only continuously expand networks, but also to provide LTE services of exceptional quality. Along with consistently expanding LTE network coverage in Korea, where it is located, SK Telecom will increase access to and usage rates of LTE or even faster networks.

(2) Affordability: Increase the percentage of underserved populations that benefit from tailored and affordable service plans

SK Telecom will continue to increase access to service by providing reasonable price plans, and also by offering tailored price plans. SK Telecom continues to increase access to service by offering rate reductions for disadvantaged groups.

(3) Availability: Expand the IoT network, solutions, and devices and make them available to help reduce the digital divide

SK Telecom will deploy the IoT network across the country, covering wider regions using less power and deploying IoT solutions in areas such as agriculture, traditional markets, and fisheries to boost their fundamental competitiveness. These are all part of the efforts to seamlessly connect people to the digital world in their daily lives.

(4) Acceptability: Continue to offer education on new ICT products and services for marginalized groups

SK Telecom will fill in the gaps for underserved people (physically/mentally challenged, the older generations, low-income households, farmers and fishers and North Korean defectors) by providing classes on how to use smartphones and detect smishing/voice phishing attempts, and opening after-sales service centers that visit households to provide services.

4. Performance Review & Disclosures

SK Telecom establishes the Digital Inclusion policy, implementation, performance review, and responses by issue through the Corporate Citizenship Committee under the Board on an annual basis.

In addition, SK Telecom transparently discloses the Digital Inclusion performance in the Progress Report on an annual basis. Please refer to SK Telecom's main policies and implementation results in the separate Digital Inclusion Progress Report (http://www.sktelecom.com/digitalinclusion) on the SK Telecom's corporate website.

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