SK Telecom 34th AGM Agendas

2018-02-21

▣ Agendas for Approval

1 Financial Statements for FY2017

- **Consolidated Revenue KRW 17.5 trillion (YoY +2.5%)**
- **Consolidated Net Income KRW 2.7 trillion (YoY +60.1%)**
- **DPS of KRW 10,000* (Payout ratio 53%)**

  * includes interim dividend of KRW 1,000

2 Stock Option Grant

- **Total of 5,707 shares for 3 recipients** *(For further details, please refer to p.2)*

3 Appointment of Directors

- **Election of an Executive Director (Candidate: Ryu, Young Sang)**
- **Election of an Independent Director (Candidate: Yoon, Youngmin)**

4 Election of a Member of the Audit Committee

- **Candidate: Yoon, Youngmin**

5 Remuneration Ceiling for Directors

- **KRW 12 billion, 8 directors**

Agenda 2. Stock Option Grant

Objectives

- In order to align the interests of the management and stakeholders in increasing the value of the company, the company will grant stock options as part of management compensation.
- The company believes that the previous compensation system was designed for evaluating short-term goals and did not effectively address the long-term results of business strategies and plans.
- As such, the company's objective with the stock option plan is to align management remuneration with the value of the company, and also reinforce the upside potential on the premise that the share price will rise going forward.

Structure

- Share type: Common stock (treasury shares)
- Grant date: February 20, 2018
- Number of shares : Total of 5,707 shares
- Exercise price : 254,120 KRW

  * Arithmetic mean of volume weighted average closing prices from the following periods prior to the grant date: two months, one month, one week

Recipient	Title	No. of shares granted	Exercise Period
Suh, Sungwon	President of MNO Business	2,755	February 21, 2020 ~ February 20, 2023
Lee, Sangho	EVP*, Service Platform Business Division	1,594	
Ryu, Young Sang	EVP*, Corporate Center	1,358	

* Executive Vice President

Agenda 3. Approval of the Election of an Executive Director

Ryu, Young Sang

- **Date of Birth :** May 15, 1970
- **Education**
  - MBA, University of Washington ('07)
  - MA in Industrial Engineering, Seoul National University ('94)
  - BA in Industrial Engineering, Seoul National University ('92)

- **Career**
  - Head of Corporate Center, SK Telecom ('17 ~ Current)
  - EVP of Business Development Group, SK Holdings ('15 ~ '16)
  - SVP of Business Development Office, SK Telecom ('14)
  - SVP of Project Development Office, SK Telecom ('12 ~ '13)

- **Reasons for Recommendation**
  - The candidate, with his years as SVP of Project Development and Business Development at SK Telecom, has played a key role in developing new business and discovering growth opportunities.
  - The candidate actively participated in the acquisition of SK Hynix, and as Head of Corporate Center at SK Telecom, the candidate has implemented outstanding capabilities which are qualities deemed necessary for future growth at SK Telecom.
  - SK Telecom Board believes that the appointment of the candidate as an Executive Director will contribute to maximizing shareholder's value, creating stable profits and securing continued growth of the Company.

Agenda 3. Approval of the Election of an Independent Director

Yoon, Youngmin

- **Date of Birth :** December 19, 1963
- **Education**
  - Ph.D. in Mass Communications, Syracuse University ('04)
  - MA in Advertising, Syracuse University ('93)
  - BA in English Literature, Korea University ('86)

- **Career**
  - Dean of School of Media and Communication and
    Graduate School of Journalism and Mass Communication, Korea University ('17 ~ Current)
  - Professor, School of Media & Communication, Korea University ('06 ~ Current)
  - Vice-chair, Korean Academic Society for Public Relations ('15 ~ '16)
  - Advisor, Ministry of Land, Infrastructure and Transport ('15 ~ '16)
  - Advisor, Korea Media Rating Board ('13 ~ '14)

- **Reasons for Recommendation**
  - The candidate is an expert in areas encompassing media, advertising, and communication, and with her expertise she has advised on government media policies.
  - In the fast-paced environment of the domestic and overseas media industry, the board believes that the candidate has both knowledge and experience required to lead the company to success in the field.

Agenda 4. Approval of the Election of a Member of the Audit Committee

Yoon, Youngmin

- **Date of Birth :** December 19, 1963
- **Education**
  - Ph.D. in Mass Communications, Syracuse University ('04)
  - MA in Advertising, Syracuse University ('93)
  - BA in English Literature, Korea University ('86)

- **Career**
  - Dean of School of Media and Communication and
    Graduate School of Journalism and Mass Communication, Korea University ('17 ~ Current)
  - Professor, School of Media & Communication, Korea University ('06 ~ Current)
  - Vice-chair, Korean Academic Society for Public Relations ('15 ~ '16)
  - Advisor, Ministry of Land, Infrastructure and Transport ('15 ~ '16)
  - Advisor, Korea Media Rating Board ('13 ~ '14)

- **Reasons for Recommendation**
  - The candidate is an expert in the media industry, in which SK Telecom seeks future growth potentials. Also, from the candidate's experience in advising various branches of the government, the candidate has gained the impartiality expected from an independent director.
  - Also as a member of the Audit Committee, the candidate will improve the transparency of SK Telecom's business management, and solidify the independence and proficiency of the Audit Committee, ultimately leading to greater shareholder value creation.